

## Hereford & Worcester Fire and Rescue Authority Strategic Risk Register

This register details key risks which the Service has identified and links into the Local Resilience Forum Community Risk Register and National Risk Register. These risks are supported by departmental and project risk registers. They are live documents which are updated on a regular basis to reflect changes in the Service and levels of risk and aligned to the Strategic objectives. To assist in the management of key risks they have been placed in the following sections: **Strategic, Operational, Regulatory, Financial, Reputation and Environmental**. [Please note all amendments/additional risks are indicated in blue.](#)

### Review Risk Score

(2011 Inherent Score 141) 2011 Residual 116

Overall Direction of Travel continues downwards - suggests stronger management, control mechanisms and continuity

A Strategic Risk	Key Risks	Likelihood	Impact	Score	Direction of Travel
	1. Changes to political balance or focus creating difficulties in the strategic and operational direction of the Service	Medium	Medium	5	↔
	2. Loss of key supplier/partnership	Medium	Medium	5	↔
	3. Poor leadership leading to ineffective practices and failure to deliver services to required standard	Low	Medium	3	↓
	4. Inability to attract and/or retain key individual or groups of staff	Low	Medium	3	↔
B Operational Risk	5. Death or serious injury to a member of staff (RIDDOR reportable)	Low	High	6	↔
	6. Inability to maintain Operational functionality of Fire Control	Low	Medium	5	↓
	7. Failure to successfully defend legal action taken against the Authority	Medium	Medium	3	↓
	8. Failure to maintain adequate staffing levels	Medium	Medium	3	↔
	9. Failure of key ICT or other infrastructure system	Low	Medium	3	↔
	10. Death or serious injury to member of the public through our actions (RIDDOR reportable)	Low	Medium	3	↔
	11. Natural disaster or deliberate act effecting a major part of the local community including potential impacts of climate change on the Service	Medium	Medium	5	↔
	12. Maintain Risk Critical training	Low	Medium	3	↔

<b>B Operational Risk (cont'd)</b>	13. Unavailability of key item of equipment	Low	Medium	3	↓
	14. Failure to integrate Local Resilience Forum Community risk register into the Service continuity planning	Low	Medium	3	↔
	15. Inadequate Water Supplies	Low	High	3	↓
	16. Failure to comply with key regulatory requirements, including Fire and Rescue Services Act/Civil Contingencies Act/Health & Safety at Work Act	Low	Medium	3	↔
	17. Ineffective contingency in the Event of an emergency under CCA	Medium	High	8	↑
<b>C Regulatory Risk</b>	18. Failure to maintain satisfactory audit assessment	Low	Medium	3	↔
<b>D Financial Risk</b>	19. Failure to maintain effective financial planning and management processes including ineffective budgetary control	Low	High	6	↔
	20. Failure to manage major projects effectively	Low	Medium	5	↑
	21. <i>Now incorporated into Risk 18 above</i>				
	22. Major fraud or corruption case	Low	Medium	3	↔
	23. Change in economic and/or political environment causing a reduction in real terms of grants and/or other income	High	Medium	7	↓
	24. Failure of Financial System (i.e. payroll and payment to suppliers)	Low	High	3	↔
<b>E Reputation Risk</b>	25. Failure to effectively manage the media and obtain the desired media coverage	Medium	Medium	5	↔
	26. Inappropriate behaviour by employees or Members	Medium	Medium	5	↔
	27. Poor quality key information provided to Members/Personnel of the Authority/Service	Low	Medium	3	↔
	28. <del>Failure to communicate key information effectively</del>				
<b>F Environmental Risk</b>	29. Failure to comply with relevant environmental legislation and directives	Medium	Medium	5	↔


Key: ↑Risk escalated, ↔ Risk unaltered, ↓Risk decreased over last 12 months.

# Risk Maps

<u>IMPACT</u>	<u>HIGH</u>	<p><b>IMPORTANT RISKS - MAY POTENTIALLY AFFECT PROVISION OF KEY SERVICES OR DUTIES</b></p> <p><b><u>6</u></b></p>	<p><b>KEY RISK- MAY POTENTIALLY AFFECT PROVISION OF KEY SERVICES OR DUTIES</b></p> <p><b><u>8</u></b></p>	<p><b>IMMEDIATE ACTION NEEDED - SERIOUS THREAT TO PROVISION AND/OR ACHIEVEMENT OF KEY SERVICES OR DUTIES</b></p> <p><b><u>9</u></b></p>
	<u>MEDIUM</u>	<p><b>MONITOR AS NECESSARY - LESS IMPORTANT BUT STILL COULD HAVE A SERIOUS EFFECT ON THE PROVISION OF KEY SERVICES OR DUTIES</b></p> <p><b><u>3</u></b></p>	<p><b>MONITOR AS NECESSARY - LESS IMPORTANT BUT STILL COULD HAVE A SERIOUS EFFECT ON THE PROVISION OF KEY SERVICES OR DUTIES</b></p> <p><b><u>5</u></b></p>	<p><b>KEY RISKS - MAY POTENTIALLY AFFECT PROVISION OF KEY SERVICES OR DUTIES</b></p> <p><b><u>7</u></b></p>
	<u>LOW</u>	<p><b>NO ACTION NECESSARY</b></p> <p><b><u>1</u></b></p>	<p><b>MONITOR AS NECESSARY - ENSURE BEING PROPERLY MANAGED</b></p> <p><b><u>2</u></b></p>	<p><b>MONITOR AS NECESSARY- LESS IMPORTANT BUT STILL COULD HAVE A SERIOUS EFFECT ON THE PROVISION OF KEY SERVICES OR DUTIES</b></p> <p><b><u>4</u></b></p>
		<u>LOW</u>	<u>LIKELIHOOD</u>	<u>HIGH</u>

Risk	Risk Description KEY RISKS	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
1	Changes to political balance or focus creating difficulties in the strategic and operational direction of the Service	Chair of FRA  CFO	8	<ul style="list-style-type: none"> <li>Group leaders meet regularly with CFO/DCFO</li> <li>Good <a href="#">open</a> communication channels</li> <li>Availability of local working groups</li> <li>Members seminars and training take place to reinforce good communication</li> <li>Stable and competent <a href="#">SMB</a></li> <li>Effective <a href="#">SMB</a> structure</li> <li>Interface with external bodies</li> <li>Formal structure of reporting to FRA</li> <li>Audit, <a href="#">P &amp; R</a>, Committee</li> <li><del>Chairman and Vice Chairman re-elected 2010</del></li> <li><a href="#">Reviewed and audited</a> Governance arrangements</li> <li>Strong link to new risk 23</li> <li>Member Communication strategy</li> <li><a href="#">Committees and reporting structure</a></li> <li>CFO group total place</li> </ul>	5  5  ↔	<p>Monitor central government guidance etc/<a href="#">circulars/bulletins</a></p> <p>Extend links/communication with partners/groups both internally and externally (e.g. LRF)</p> <p><del>Regularly update Members/Officers on Risk/Business Continuity/Emergency Planning issues Privatisation (part or full)</del></p> <p><del>Change in political direction/policy changes</del></p> <p><del>Impact of Comprehensive spending review</del></p>	Monitor closely political activity local, regional and national government agencies and regulatory guidance	March 2012	<p>Strengthen inter-agency relationships (LRFs)</p> <p>Improved engagement with Category 2 Responders</p> <p>CFO group total place</p>

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2	Loss of key supplier/partnership	Director of Finance and Assets	7	<ul style="list-style-type: none"> <li>Procurement consortiums used. <del>Adopted FireBuy</del></li> <li>Purchasing/Tendering process makes appropriate health and ethical checks</li> <li>Regularly review suppliers</li> <li>Key supplier business continuity arrangements confirmed including PPE</li> <li>Procurement and Asset Manager</li> <li>Business Continuity planning guidance sent to all key suppliers</li> <li>Contract Standing Orders</li> <li>SPI partnership</li> <li>Partnership Officer in place to monitor</li> <li>Improved Project &amp; Partnership assurance in place</li> <li>SLA/MoU in place and reviewed on a regular basis</li> <li>Overall awareness has been raised</li> <li>Robust challenge to meet contractual obligations</li> <li>Local sourcing where appropriate</li> <li>Contract management</li> <li>All future contracts include confirmation business continuity arrangements</li> <li>Departmental BC plans agreed</li> </ul>	5 ↔ 5	<p>Ensure adequate arrangements/security checks are adopted. Adopt common protocols</p> <p><del>*AssetCo key supplier of numerous systems (see action)</del></p> <p>Economic Downturn</p> <p><del>Comprehensive Spending Review</del></p> <p>Monitor framework agreement</p> <p><del>Uncertainty of FireBuy future (MR)</del></p>	<p>Monitor exposures to single/key suppliers and—ensure BCM plans/contingency are in place for current and new (BHs)</p> <p>*Budget Holders to monitor suppliers to recognise early supply change problems. Supplier strategy to mitigate supplier risk.</p> <p>Economic downturn <del>FRA paper</del></p>	<p>Nov 2011</p> <p>Ongoing</p>	<p>Joint procurement</p> <p><del>Procurement references FireBuy</del></p> <p>Partnerships changing focus – no detrimental effect on the Service. Increase presence at the table/influence/understanding of our Service</p> <p>Total Place</p>


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3	Poor leadership leading to ineffective practices and failure to deliver services to required standard	Chair of FRA	6	<ul style="list-style-type: none"> <li>• Key Performance Indicators</li> <li>• Good support mechanisms</li> <li>• Internal/External Audit</li> <li>• <del>Charter Mark</del></li> <li>• Group Leaders support/assistance</li> <li>• Member Champions</li> <li>• Communication Strategy</li> <li>• Standards Committee Audit Committee monitoring</li> <li>• Monitoring/Clerk Officer</li> <li>• Reviewed Corporate Governance arrangements</li> <li>• Service policies/ instructions</li> <li>• Leadership Training Programme</li> <li>• Centre of Excellence</li> <li>• People Strategy (HR)</li> <li>• Cultural change programme</li> <li>• Members communication strategy</li> <li>• SMB formed/integrated (live) Refocused senior management team</li> <li>• Live SMB Sharepoint site</li> <li>• SMB departmental visits/discussion</li> </ul>	6  3	Restructure of individual directorates	Member and Officer Training	March 2012	


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4	Inability to attract and/or retain key individual or groups of staff	CFO	6	<ul style="list-style-type: none"> <li>Staff evaluation <del>all personnel</del></li> <li>Recruitment awareness days</li> <li>Intermediary system in place</li> <li>Flexible working arrangements</li> <li>Training and personal development</li> <li>Cultural work – Communication Strategy</li> <li>IPDR' s</li> <li>Induction/Exit Interviews</li> <li>National firefighters standard testing (FFST)</li> <li>Improved arrangements for RDS</li> <li>Waiting lists – awaiting appointment <del>wholetime</del></li> <li>Rolling programme recruitment and awareness days</li> <li>Performance indicators (female/ethnic minority recruitment.</li> <li>Succession planning for Retained personnel (HR)</li> </ul>	3 ← → 3	Failure to maintain operational competence because of lack of skills base/operational experience/no succession planning. Retained recruitment	<p>Monitor female/ethnic minority recruitment (HR)</p> <p>Introduce succession planning for support staff</p>	<p>Ongoing</p> <p>October 2011</p>	<p>Large pool of potential staff due to the current economic climate</p> <p>Monitor apprentice scheme opportunities</p> <p>Accelerated training opportunities enhanced</p>

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5	Death or serious injury to a member of staff (RIDDOR reportable)	CFO	8	<ul style="list-style-type: none"> <li>Statutory compliance</li> <li>Operational procedures in place</li> <li>Regular Training given</li> <li>Information readily available</li> <li>Operational debriefs</li> <li>Near miss reports</li> <li>Personal protective equipment - first class equipment (Total Care package)</li> <li>Research and development on any equipment that is purchased</li> <li>Senior Accident Investigators</li> <li>Operational assurance</li> <li>Peer review</li> <li>Debriefs</li> <li>Operational/Risk Assurance in place</li> <li>Major Incident protocol in place/tested</li> <li>Corporate manslaughter training completed</li> <li>Monitor equipment note information and subsequent guidance</li> </ul>	6 ↕ 6		<p>Consider further training implications for the Service</p> <p>Continue to monitor injury performance statistics</p> <p>Training element of RDS plan</p>	<p>October 2011</p> <p>Ongoing</p> <p>October 2011</p>	Funding opportunity for RDS



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6	<p>Inability to maintain Operational functionality of Fire Control</p> <p>1. Technical Director of Finance and Assets</p> <p>2. Staff Director of Corporate Services</p> <p>3. Operational Director Service Delivery</p> <p>4. Fire Control Project Director of Corporate Services</p> <p>5. Financial Director of Finance and Assets</p>	Director Service Delivery	9	<ul style="list-style-type: none"> <li>Internal Operating procedures in place</li> <li>Mutual assistance arrangements with Shropshire</li> <li>Regular testing of evacuation arrangements.</li> <li>ICT Secondary Fire Control</li> <li>Droitwich strengthened to enable resilient call handling to be maintained (Stand-alone laptop)</li> <li>Call-out arrangements which support ICT networks (internal/externally) in place</li> <li>Reviewed current Emergency Plan procedures/exercised</li> <li><del>Task &amp; Finish group</del></li> <li>Regular FRA updates</li> </ul>	6	<ul style="list-style-type: none"> <li>Incident call management arrangements</li> <li>Review all Fire Control functionality. (Priority)</li> <li>Resilience Fire Control Project</li> <li>Unable to support current mobilising equipment (Integrity of existing systems)</li> <li>Loss of control due to breakdown in call-management systems</li> <li>Failure to secure data.</li> <li><del>Loss of key staff, knowledge and skills</del></li> <li><del>Retention arrangements for staff</del></li> <li>See <a href="#">project risk register</a></li> </ul>	<p>Ongoing costs for maintaining Fire Control</p> <p><del>Evaluation of tenders/ for transitional resilience mobilising arrangements</del></p> <p>Implement mobilising equipment (Integrity of existing systems)</p> <p>Control resilience project SHQ</p> <p>Data Sharing – (Replacement Fire Control Contractor)</p>	<p>March 2012</p> <p>February 2012</p> <p>March 2012</p> <p>January 2012</p>	<p><a href="#">Shared MOU with Shropshire</a></p> <p><a href="#">CLG Grant Funding</a></p>

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7	Failure to successfully defend legal action taken against the Authority	CFO	6	<ul style="list-style-type: none"> <li>Right systems and processes in place.</li> <li>Good professional advisors and legal advice (SLA approved/adopted/reviewed and monitored annually)</li> <li>Incident investigated with trained personnel</li> <li>Strong case studies records in place.</li> <li>Debrief documentation available</li> <li>Insurance for third party losses</li> <li>Annual review of insurance provision</li> <li>Investigation systems in place/tested</li> <li>Preventative training in place</li> <li>Legal support for employment matters</li> <li>Reviewed process in place</li> <li>External legal advice available</li> <li><a href="#">Dedicated Clerk arrangements</a></li> </ul>	5  3	<p>Outcome of tribunals</p> <p>Potential increase insurance claims</p> <p>Compliance levels within technical fire safety</p> <p>Ongoing staff training required for investigative/legal procedures (interviewing/note taking information gathering)</p> <p>Employment tribunals training</p>	<p>Live Outstanding claims</p> <p>Quarterly meeting with SLA provider needs monitoring</p> <p>Track costs</p>	<p>As required</p> <p>October 2011</p> <p>Quarterly</p>	Collaboration with other agencies

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8	Failure to maintain adequate staffing levels  <b>Likelihood increased</b>	Members  CFO  Director Service Delivery  Director Corporate Services  Director of Finance and Assets	6	<ul style="list-style-type: none"> <li>Regular meetings with Representative Bodies</li> <li>NJC direction developed</li> <li>Trade Union Protocol</li> <li>National resilience (Mutual aid/new dimensions)</li> <li>BCM Plan Supplements</li> <li>Critical departmental BC plans in place including fall-back arrangements</li> <li>Home working policy</li> <li>ICT Portal access for critical staff</li> <li>Command structure</li> <li>Resilience Register live</li> <li>Monitoring sickness/<a href="#">absence</a></li> <li>SharePoint operational resilience arrangements (degradation)</li> <li>Employment contractual arrangement</li> <li>Monthly establishment review meeting</li> <li>Skills Audit</li> <li>Consultation forums</li> </ul>	3  	Potential budget reduction  Succession planning  <del>Link to funding reduction possibility</del>  IRMP reviews (potential risk rise)	<a href="#">Monitor resource levels through monthly SMB</a>	<a href="#">ongoing</a>	Multi-skilling  <a href="#">Shared Services</a>

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9	Failure of key ICT or other infrastructure system  For Fire control see Risk 6	Director of Finance and Assets	8	<ul style="list-style-type: none"> <li>Continuity plans in place</li> <li>Secondary/Mirror back up systems in place</li> <li>24/7 technical cover in place</li> <li>Annual Heath check – major supplier</li> <li>Alternative internet route in place</li> <li>Business contingency and disaster recovery arrangements finalised</li> <li>Critical equipment checks/register</li> <li>Training and specialist skills ongoing</li> <li>Debriefs – lesson learnt</li> </ul>	3  8 power outage ← → 3	<p>Potential budget cuts - some ICT problems may take longer to resolve</p> <p>Insufficient server capacity for maintenance arrangements</p> <p>ICT interdependencies</p> <p>Link to RCC project</p>	<p>Monitor Business Continuity arrangements</p> <p>Absence of systems administrator</p> <p>Lack of a centralised database management</p> <p>Purchase back-up server</p>	<p>Dec 2011</p> <p>March 2011</p>	

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10	Death or serious injury to member of the public through our actions (RIDDOR reportable)	CFO	6	<ul style="list-style-type: none"> <li>Dedicated programme for training of drivers</li> <li>Incident Command system in place</li> <li>Operational procedures in place</li> <li>Legal guidance available</li> <li>Operational assurance</li> <li>Command training</li> <li>Reviewed Operational Assurance</li> <li>Debriefs/Accident investigation</li> <li>Major incident Protocol in place</li> <li>External legal services available outside of office hours for hours</li> <li></li> </ul>	3 ↕ 3		Continue to track trends in statistics		

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11	Natural disaster or deliberate act effecting a major part of the local community including potential impacts of climate change on the Service	Members CFO	8	<ul style="list-style-type: none"> <li>Business continuity plan implemented and exercised</li> <li>Regional and Local Resilience Forum in place (RRF &amp; LRF)</li> <li>Corporate Risk Group in place</li> <li>Joint Emergency response arrangements (JERA)</li> <li>National Coordination arrangements</li> <li>LRF exercise programme in place</li> <li>Member scrutiny report in place</li> <li>National Risk Register updated</li> <li>Work with National resilience Board embed protocols into the Service standard operating arrangements</li> <li>Governments response to Pitt (GRIP) ongoing</li> <li>SPI Spate conditions</li> <li>Exercises/training/Watermark/Hydra/Unite/Fireplace</li> <li>Experience bank expanded</li> <li>New Dimensions USAR</li> <li>Severe Weather plans</li> </ul>	5 ↔ 5	Build Business Continuity Supplements  Review/Monitor/Exercise plans.  Monitor potential impact to climate change  Public/Civil disturbances	Exercises Debriefs  Exercise Sully		Audits: National Capability, Audit Commission)  Enhancement programme  External Agencies

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12	Failure to maintain Risk Critical training	ACFO Service Support  Director of Service Delivery	6	<ul style="list-style-type: none"> <li>IPDRs</li> <li>Competence levels monitored</li> <li>Service Performance Indicators</li> <li>National Guidelines</li> <li>Operational assurance</li> <li>Hot fire training</li> <li>Recruitment programme</li> <li>People strategy</li> <li>Training programme</li> <li>Resilience Register</li> <li>Monitoring protocol for assessing operational competencies utilising Vector and Minerva Systems</li> <li>Active incident monitoring based on West Midlands model</li> <li>Training calendar</li> <li>Identified key players for BCM</li> <li>Assurance project group monitoring risks</li> <li>RDS training following RDS review</li> <li>Skills Audit</li> </ul>	3 ↓ ↓ 3	Potential budget implications could affect training volume and standard	Prioritise training requirements		


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13	Unavailability of key item of equipment	<del>ACFO</del> <del>Service</del> <del>Support</del>  Director of Finance and Assets	6	<ul style="list-style-type: none"> <li>Asset Manager appointed</li> <li>Procurement systems in place</li> <li><del>Firebuy in place</del></li> <li>Back-up suppliers</li> <li>Maintenance agreements in place</li> <li>Contract Directory</li> <li>Equipment testing programme in place</li> <li>Audit of equipment on a regular basis</li> <li>Monitor Contracts on a regular basis</li> <li>Redkite/Asset registers.</li> <li>Communication tool (sharepoint for BA)</li> <li>Vehicle maintenance records</li> <li>Management of Fire Kit resilience</li> <li>BA kit interoperability with border Services</li> <li>Improved testing protocols for all equipment (mitigating actions strong)</li> </ul>	6  3 ↓	VMDs Link to Resilience Fire Control Project  Ladder maintenance (RL)	<p>A number of injuries with new BA under investigation</p> <p>Review current contractual arrangements</p> <p>Cross border mutual aid for key items of equipment</p> <p><del>BA cylinder investigation ongoing</del></p>		<del>Purchasing power/ resilience through FIREBuy/</del>  Shared Services combining with other FRS



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14	Failure to integrate Local Resilience Forum Community risk register into the Service continuity planning	Chief Fire Officer  Director Corp Services	6	<ul style="list-style-type: none"> <li>Community Risk Register</li> <li>Members of LRF forum</li> <li>Collation of lower tier Risk Register</li> <li>Improved resilience performance with LRF partners Silver/Gold training</li> <li>Embed INTEL process into CRR including exercise and training</li> <li>Sites identified within critical National RR to be included into INTEL process</li> <li>FSEC populated with flood risks</li> <li>Water Rescue/flood linked into IRMP</li> <li>Severe weather/Fuel plan implemented</li> <li>Local risk register (Identifies multi agency lower tier risk)</li> <li>Reviewed BC plans</li> <li>Improved monitoring and reporting of risk through the LRF</li> </ul>	3 ↓ ↓ 3		Monitor Industrial action		Shared specialist information

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15	Inadequate Water Supplies	ACFO Service Support  Director of Assets	8	<ul style="list-style-type: none"> <li>Hydrant inspections based on risk.</li> <li>Two full time technicians employed.</li> <li>Mains water failure notification</li> <li>Water Officer resources increased</li> </ul>	6 ↕ ↕ 3	<p>Hydrant checks risk based.</p> <p>Monitor supply failure</p> <p>Report completed for inspection program based on national risk based model – awaiting PMM decision</p>	<p>Hydrant checking resources</p> <p>Consider outsourcing</p>		



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17	Ineffective contingency in the Event of an Emergency under CCA (2004) eg <ul style="list-style-type: none"> <li>Major Ill Health Epidemic</li> <li>Industrial Action</li> <li>Severe loss of ICT</li> <li>Fuel shortages</li> <li>Severe Weather</li> <li>Natural Disaster</li> <li>Terrorist Incident</li> <li>Loss of Utilities/Comms</li> </ul>	Director of Corp. Services	9	<ul style="list-style-type: none"> <li>Pandemic Flu Plan Business Impact Analysis completed</li> <li>Membership of Herefordshire &amp; Worcs - Influenza pandemic planning group (IPPG)</li> <li>Internal exercise completed</li> <li>Participate in national, regional and local exercises</li> <li>COBR/Top line brief/Regional coordination/Silvers multi agency/HPA</li> <li>Live experience BC triggered – Pandemic Resilience Register</li> <li>Reviewed BC departmental plans</li> <li>Critical functions indentified</li> <li>Fall-back arrangements agreed</li> <li>CRMG/SRWG activated</li> <li>SharePoint – generic resilience arrangements</li> <li>Enhanced Industrial Action arrangements</li> <li>Severe weather plans developed</li> <li>Fuel plan refreshed</li> <li>Local monitoring of ongoing events through active silvers in Worcs/Hfd</li> <li>SMB training workshops as required.</li> </ul>	3  8	BC Training ongoing Plans for terrorist incident  Industrial action likelihood increased – impact dependant which union and different combinations  Industrial action plan reviewed  Monitoring Civil disturbances  Middle East conflict (fuel etc)	Monitor current activity and national picture  Induction and refresher training  Exercise Programme: Finance HR ICT Facilities Ops logistics Industrial action  Test JOCC arrangements		Streamline processes and procedures  Regional/local collaboration


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18	Failure to maintain satisfactory audit assessment and/or local transparency	Deputy Chief Fire Officer  Director of Corporate Services	6 ↓	<ul style="list-style-type: none"> <li>• Audit self assessment</li> <li>• Annual Charter Mark status maintained</li> <li>• IRMP consultation and action plan</li> <li>• Performance Framework in place</li> <li>• Quarterly Performance update to Senior Officers</li> <li>• Peer assessment and feedback</li> <li>• Members updated on a regular basis</li> <li>• CORVU performance software in place</li> <li>• Consultation workshops in place</li> <li>• Updated Key Lines of Enquiries</li> <li>• Annual Governance Statement/Evidence</li> <li>• Continue to review through performance planning</li> <li>• Annual Corporate planning</li> </ul>	3 → ← 3	Retention of key staff  Internal audit	Identify areas for improvement from CAA process  Charter Mark status		Improved results  Potential cost savings  Potential for increased productivity  Informs budget planning process  Governments relaxation of Auditing (light touch)

Risk	Risk Description KEY RISKS	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
19	Failure to maintain effective financial planning and management processes including ineffective budgetary control	Director of Finance and Assets  Treasurer  Members	8	<ul style="list-style-type: none"> <li>Finance System</li> <li>SLAs reviewed Payroll/Pensions/Tres Management</li> <li>Budget Planning</li> <li>Asset Management Plan</li> <li>Monthly meetings with budget holders</li> <li>Regular reports to PMM</li> <li>Financial regulations in place</li> <li>Data Quality process</li> <li>Reports to the FRA/Budget/Audit Committee</li> <li>Procurement strategies agreed</li> <li>Budget monitoring reports</li> <li>Maintain effective budgetary control</li> <li>Internal /External Audit</li> <li>Annual Governance Statement/Code of Corporate Governance</li> <li>Qualified professional staff</li> <li>Medium term financial strategy in place</li> <li>Cost benchmarking</li> <li>SLA Assurance monies securely invested (Financial Investment Controls) Bank of England</li> <li>Financial BC Plan in place</li> </ul>	6 ↓ 6	Financial Signatory protocol  Corporate Credit Card	<p>Monitor current economic downturn</p> <p>Exercise finance BC arrangements</p> <p>Insufficient funding to address planned and audited work</p>		

Risk	Risk Description KEY RISKS	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
20	Failure to manage major projects effectively	Deputy Chief Fire Officer	6	<ul style="list-style-type: none"> <li>Officer responsible for project office</li> <li>Risk assurance/monitoring</li> <li>Reporting mechanisms in place including risk escalation - residual risk rating above 7</li> <li>SMB &amp; P&amp;R, Audit and FRA reports</li> <li>Identification of current and project forecasting in place. Programme management and specialist support available</li> <li>Project managers trained</li> <li>CDM regs used in management of building project</li> <li>Leadership with clear understanding of project responsibility</li> <li>Robust arrangement for contractual monitoring</li> <li>Improved resources/specialism in facilities to manage new building projects</li> <li>External scrutiny where appropriate</li> </ul>	3 ↑ 5	<p>Fire Control Project</p> <p>ICP/PPE absolute deadline for replacement is 31 March 2011</p> <p>Risk Assurance indicates resource capacity shortfall with numerous projects coming on line at the same time</p> <p>CARP snagging issues</p> <p>ICT interdependencies</p> <p>Likelihood increased SMB minutes</p>	<p>FireBuy awareness of deadline of ICP/PPE replacement</p> <p>Control resilience Project on Red</p>		Improved efficiency

Risk	Risk Description <b>KEY RISKS</b>	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
21	Now incorporated into Risk 18 above								
22	Major fraud or corruption case	Director of Finance and Assets  Treasurer  Members	5	<ul style="list-style-type: none"> <li>Financial regulations in place</li> <li>Policies/Instructions in place and reviewed regularly</li> <li>Audit investigation protocol</li> <li>ICT controls</li> <li>Audit anti-fraud checklist (Good Practice)</li> <li>National Fraud Initiative Reviewed Policies</li> <li>Fraud Corruption/ Whistleblowing</li> <li>Insurance arrangements in place</li> <li>SLAs with specialist Advisors</li> <li>Money laundering policy</li> <li>Audit plan</li> <li>Staff Training/Awareness</li> <li>SPI reviewed</li> </ul>	3  → ←  3	Monitor closely	Continue staff Training		



Risk	Risk Description <b>KEY RISKS</b>	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
23	Change in economic and/or political environment causing a reduction in real terms of grants and/or other income	CFO Treasurer Chairman	8	<ul style="list-style-type: none"> <li>Good financial planning</li> <li>Strategic planning</li> <li>Financial Investment Controls in place with SLA with Worcs CC</li> <li>Vigilant to future implications through monitoring</li> <li>Total Place</li> <li>SMB team preplanning options</li> <li>Meeting the challenge workshops with all staff</li> <li>IRMP refers and Service streamlining.</li> </ul>	9  7	Change of Government policy  Economic downturn  Comprehensive Spending Review outcomes  National, regional and local financial pressures  Changes in funding formula/allocation  Inability to deliver corporate/business objectives	Staff briefings timely/accurate		Funding opportunities

Risk	Risk Description <b>KEY RISKS</b>	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
24	Failure of Financial System (i.e. payroll and payment to suppliers)	Director of Finance and Assets	6 ↓	<ul style="list-style-type: none"> <li>Finance System in place</li> <li>SLA with Worcestershire County Council</li> <li>Resilience arrangements in place</li> </ul>	3 → ← 3	Signatory	Test BC plan		Shared services
25	Failure to effectively manage the media and obtain the desired media coverage	Members Clerk Chief Fire Officer	5 ↓	<ul style="list-style-type: none"> <li>Press and PR Officer in place</li> <li>Good relationships with media</li> <li>Media training for key staff/member</li> <li>Media/ centrally coordinated Communications strategy in place</li> <li>Media manager</li> <li>Media Manager member of LRF communication working group</li> <li>Members handbook</li> <li>Prepared press releases for major events</li> </ul>	5 → ← 5	Effective 24 hour cover  Use of Social media			Shared Services

Risk	Risk Description <b>KEY RISKS</b>	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
26	Inappropriate behaviour by employees or Members	Chairman of FRA  Clerk  Chief Fire Officer	5  ↓	<ul style="list-style-type: none"> <li>Revised Code of Conduct in place</li> <li>Sufficient systems to reduce the likelihood of inappropriate behaviour in the workplace</li> <li>Regular reports to Standards Committee</li> <li>Management and Members training</li> <li>Ethical Framework adopted and cascaded through Service</li> <li>Behavioural standards included in Contracts of employment</li> <li>Rank to role including core values</li> <li>Whistleblowing</li> <li>Inductions and Exit Interviews</li> <li>Policies reviewed annually</li> <li>Continuation training</li> <li>Discipline procedures in place</li> <li>Complaints procedure</li> <li>Investigation protocol in place</li> </ul>	5  ↑ ↓ 5	Abolition of standards board for England  Resilience Project  Use of Social media	Monitor behavioural standards by reference to internal/external complaints and discipline actions   Improved protocol and guidance arrangements for YFA		

Risk	Risk Description <b>KEY RISKS</b>	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
27	Poor quality key information provided to Members/Personnel of the Authority/Service	Chief Fire Officer  Chairman of Authority  Clerk  Group Leaders	8	<ul style="list-style-type: none"> <li>• Open and accessible organisation</li> <li>• Members training and handbook</li> <li>• Meetings Minutes, matrix and action plans</li> <li>• Minutes of PMM available to staff/Members</li> <li>• Business Impact Analysis</li> <li>• Review policies annually</li> <li>• Group Leaders meet with CFO</li> <li>• Dedicated Committee Service team in-house</li> <li>• SharePoint</li> <li>• Members bulletin with key information published monthly</li> <li>• Staff Communications Strategy inc staff bulletin</li> <li>• Effective ICT infrastructure</li> <li>• Developed effective communication with partner agencies through the LRF</li> <li>• Information Sharing protocol in place</li> <li>• BCM Exercise programme implemented</li> <li>• Service Policy and Instructions eg Data Quality</li> <li>• IPDRs</li> <li>• Press &amp; PR role</li> <li>• PO visits to Service location</li> <li>• Information Governance Group</li> <li>• Staff Workshops</li> <li>• H &amp; S Liaison Committee</li> <li>• Consultation with Representative Bodies</li> <li>• SMT News</li> <li>• Authority Plan</li> <li>• NVQ process</li> <li>• VMDs information</li> <li>• IRS</li> </ul>	3 ↓ 3	Management of e-mail  Social media	Further development of Intranet communication (Sharepoint)		Commercial opportunities?  Commitment to improve Intranet capability (portal)

Risk	Risk Description KEY RISKS	Risk Owner	Inherent	Key Controls	Residual	Emergency Planning and resilience issue	Actions	Complete Date	Opportunities
28	Now incorporated into Risk 27 above								
29	Failure to comply with relevant environmental legislation and directives	Members  CFO  Director of Finance and Assets	8	<ul style="list-style-type: none"> <li>Asset Manger conducted a gap analysis</li> <li>Skills internally</li> <li>Member of Worcestershire/Herefordshire Partnership Climate Group</li> <li>Insurance covers specific actions.</li> </ul>	5  ↓ ↓ 5	Limited insurance for clean up costs. Provided standard industry insurance conditions are met.	Energy Manager  Real time energy monitoring  Carbon footprint		

Completed by:	Head of Corporate Risk
Date completed/Version Control	September 2011 Version V4.13
Risks reviewed	29
New Risks added	0
Risk escalated in the previous 12 month period	0
Risk removed	
Reviewed by:	PO Consultation SMB Risk Champion Group Leaders Audit Committee FRA Membership
Date reviewed:	15 September 2011
Interim review	May 2012
FRA approved	December 2010
Next FRA Approval due	December 2011

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**Risk Management Strategy & Policy**

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## Risk Management Strategy & Policy

### 1. Introduction

1.1 Risk Management is fundamental to any modern organisation and is an issue that all Fire and Rescue Services and Local Authorities have addressed to meet the expectations now being placed on them in respect of this discipline. The terms of reference for the Audit Committee gave them responsibility for consideration of regular reports on business risk environment and associated management action.

1.2 Formalised Risk Management was introduced in the private sector, as part of the strengthening of corporate governance (The Turnbull Committee Report). Risk Management has since continued to be recognised as a valuable discipline across all the other sectors of the economy and the Audit Commission recommended the introduction of formalised Risk Management in Local Authorities. During the same period corporate governance within Local Authorities was evolving and this led to the publication, jointly by CIPFA and SOLACE, of a framework and guidance note on the subject. Within that framework, one of five dimensions through which the fundamental principals of corporate governance need to be reflected is Risk Management and Internal Control. Accordingly, this strategy outlines the responsibilities, scope and steps that have been taken to fully embed Risk Management processes into the Hereford & Worcester Fire and Rescue Authority

**1.3 The overall objective of this strategy is to ensure that the Fire and Rescue Authority (FRA) adopt effective practices in the identification, evaluation and cost effective control of risks. This will ensure that they are eliminated or reduced to an acceptable level and that systems are in place to track and report upon existing and emerging risks that could cause damage to both the Service and the Authority, or its stakeholders.**

1.4 Overall responsibility for ensuring that risks are effectively managed, lies with the Members of the Fire and Rescue Authority as advised by Senior Management Board (SMB).

1.5 SMB are responsible for managing the operational aspects of the process and for ensuring appropriate resources are made available to support the process where necessary.

1.6 Risk Management is not a subject that exists in isolation and is viewed in terms of the way in which acts or omissions could impact on the Authority and its ability to achieve its plans and objectives. The Authority appreciates Risk Management is about empowerment and the creation of value and opportunity as well as prevention. Risk Management is therefore a two way process - top to bottom and bottom up, involving all levels of staff. There is a clear understanding that risk is embedded within the working practices and culture of the Authority.

### 2. Scope of Risk Management



2.1 All risks are considered not simply as a sub-set, such as financial risks or the risks to human life. Similarly it is not just the impact of an incident in financial terms that need to be evaluated, but also the potential damage that such an incident could inflict upon the operations of the Authority or upon its reputation. It is anything that could prevent the Authority from achieving its objectives. A working definition of risk:

***“The threat that an event or action will adversely affect the Authority’s ability to achieve its objectives, perform its duties or meet the expectations of its stakeholders”.***

2.3 The responsibility for managing these risks is not restricted to any one person or group of specialists; it is the duty of every member of staff. It is the formalisation of normal working practices and management. All members of the Senior Management Board are risk managers in their own field. They have responsibility for ensuring risks within their area are properly managed.

2.4 Support is available from our specialist Insurers should the need arise.

2.5 The Risk Management process will be co-ordinated centrally through Corporate Services (Corporate Risk) to ensure that key risk data is analysed, compiled and reported in a consistent manner and that best practice is disseminated throughout the Authority.

### **3. Benefits**

3.1 Amongst the benefits the Service gains from a formalised Risk Management process are:

- A fully documented representation of all its key risks and the actions being taken to mitigate them;
- Better understanding of risks and exposures faced by the organisation;
- Greater ownership of risks by all personnel and their systems of internal control;
- An understanding of how risks are moving and the ability to model how they are accumulating;
- Integration of Risk Management into systems and project based development and contracting and partnership arrangements;
- Efficient and effective integration of recovery and contingency plans;
- More focused use of insurance as a method of transferring risk;
- The implementation of a more cost effective control environment;
- More effective working practices between Managers, Auditors and other specialists;
- Improved management information when considering governance of the organisation; and
- Improved cost effectiveness and opportunities.

### **4. Risk Management Programme**

4.1 In managing a programme for Risk Management there are a number of clearly defined steps that are undertaken:

**RISK MODEL:** A consistent and tailored model for determining whether an identified risk is material to a specific activity has been established together with a table with agreed parameters to assist in the assessment of likelihood and potential impact both in terms of Strategic, Operational, Regulatory, Financial, Reputation damage and Environmental. Risk categories and definitions are identified to ensure consistency in the identification, tracking and reporting of the key risks using business impact analysis.

4.2 At a Service level departmental managers are responsible for cascading and embedding the process within their area (departmental risk registers). The risks at each level are cross referenced with each other and Strategic risk cross referenced to business objectives. Similarly risk assessment has become an integral part of the annual planning process to ensure plans and objectives are linked to the Authority's risk profile.

**RISK TRACKING:** key risk indicators in Strategic, Departmental, Partnership and Project Risk Registers are documented to enable tracking and monitoring of risks identified:

- changes in risk performance are monitored; and
- a full audit trail to the process is provided.
- opportunities are identified and reported
- any outstanding exposures and actions are documented and reported to SMB. A process to manage risk escalation has been adopted

The generation of this information has:

- promoted an awareness of changes and opportunities in risks;
- provided risk management information where appropriate;
- focused management attention, prioritising and supporting the overall risk management process; and
- has linked performance management and risk management within a single process.

**RISK REPORTING:** Risks, even at the strategic level, do not remain static. Therefore a programme of risk reporting is in place through the quarterly performance reports presented to SMB and an annual report for the Audit Committee and the FRA. These reports cover changes to the known risks, the analyses of any emerging risks and the progress of any actions plans. All risks are formally considered at the commencement of any major organisational change or project.

Embedding the process into the culture is assisted by aligning staff development and training to perceived risk areas and by introducing risk management awareness into staff induction and communication activities. Regular awareness training sessions with groups of personnel are carried out. Risk Management is a part of Senior Management culture and is inclusive within all department meetings to reinforce the Risk Management message and to include all levels of staff in the dissemination of business objectives and significant risks to their achievement.

Risk Management is an integral part of Code of Corporate Governance and the statement of Internal Control.