TO: Policy and Resources Committee

FROM: Deputy Chief Executive Officer - Matthew Warren

PRESENTING OFFICER(S): Matthew Warren

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RISK MANAGEMENT – MONITORING REPORT

1.   Purpose

1.1   To provide the Policy and Resources Committee with an updated strategic risk report, as at September 2016, highlighting those risks that are considered above the risk appetite of the Authority.

2.   Recommendation

2.1   The Policy and Resources Committee is asked to review and note the strategic risk report and the risk distribution which is attached at Appendix 1. (A colour copy of this report will also be provided under separate cover).

3.   Risk Assessment

3.1   The strategic risk report potentially cuts across all of the criteria identified in paragraph 4.1 below as, without effective risk management and appropriate, identified controls in place to manage the risk, any one of the risks may impact on the Authority.

4.   Background

4.1   Risk management is a key element of corporate governance. It enables the Authority to:

- quantify the Authority's exposure to risk and take action to mitigate the risk, where the level of risk is deemed unacceptable to the Authority or the community it serves
- focus on priorities
- reinforce good practice
- encourage improved planning

- challenge poor performance.

4.2 It is the role of the Policy and Resources Committee to review the strategic risk report to ensure all perceived *High* and *Very High* strategic risks are included and assessed correctly with associated actions to address the identified risks.

4.3 The risk register has been refreshed with the current risks reviewed and assessed for their current validity. A number of risks have been closed and several merged as their intent and purpose were duplicated.

4.4 To provide further clarity of the status of the risks within the strategic risk register they have been categorised as Constants or Events.

4.5 Constants are risks we would not expect to remove but we can control them to an acceptable level. For example, the risk of financial crime. These constants then have a state of either Active or Controlled. Active denotes that we are seeing an increased threat and are initiating further reduction actions. Controlled denotes that we have sufficient measures in place and the risk does not require additional action at this time.

4.6 Events, are risks that are initiated by an event, they are likely to arise and disappear for example, the comprehensive spending review. The risk associated with this will only be present whilst we are undertaking the review and once it is completed they will disappear or be realised (occur). If we are aware of an event but it has not occurred we note these risks as dormant, if the event is occurring the risks attached to it are live.

4.7 The state of a risk allows us to prioritise those for immediate attention and those that we should regularly monitor. It will also assist with reporting to ensure that the state of our risks is clearly understood.

4.8 The Authority's strategic risks are continuously reviewed by the Director Advisory Board against the following risk categories:

- Political
- Economic
- Social
- Technological
- Legislative
- Environmental
- Customer/Citizen.

4.9 Influencers such as legislation, the changing national focus for the fire and rescue service and suggestions made by members and officers are also taken into account. Risk exposure has then been assessed by forming a view on the probability of the risk occurring together with the impact of an occurrence.

5. Strategic Risk Review

5.1 The distribution of risk from the strategic risk register is shown at Appendix 1. This shows the spread of risk scores with an accompanying short description of each risk.

5.2 The detail of all *High* and *Very High* risks is included below for the review of the Policy and Resources Committee.

5.3 The two highest risks currently in the strategic risk register are constants with an active status;

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R094	There is a risk that the Service is targeted by cyber attacks and if successful these could cause serious disruption to service delivery.	Matthew Warren	Service Delivery	25	20
Mitigation activities		**Target completion**		**Owner**	
1. Annual ICT penetration testing carried out to determine vulnerabilities which are then patched. 2. A series of presentations given to staff to raise user awareness of threats 3. Members of Cyber Security Information Sharing Partnership (CISP) to understand the current risks 4. Liaising with Police cyber security specialists to raise our awareness. 5. Antivirus software is utilised across the Service 6. Servers are patched and maintained at current levels to address new and emerging threats. 7. Access rights of users are controlled (set to minimum levels) 8. ILearn module on information security course mandatory for all staff to raise awareness. 9. Proven back up solution to ensure that we can recover from ransom ware attacks.		1. Annually set date (not published to ensure test is realistic) 2 - 9 Ongoing reviewed and incorporated in the ICT Service Improvement plan - Reviewed Monthly.		1-9 J Fagg	
Comments					
The most significant risk posed to the Authority is the threat of external cyber attacks. Work is ongoing to test our mitigation actions through regular penetration testing. Mitigations are monitored monthly through the ICT Service improvement plan to stay abreast of current treats and ensure appropriate defences are in place.					

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R069	There is a risk that due to the Suffolk Fire and Rescue Service (SFRS) not resolving its status of wholetime appliances on the larger stations, this could result in mis mobilisations due to a reliance on memories of control staff and inconsistent practices.	Rick Hylton	External Environment	20	20
Mitigation activities		**Target completion**		**Owner**	

1. CFRS advised Suffolk of the risk at Project Executive Board meeting 20th Feb 2013 2. Advised Suffolk of possible solutions to remove risk, but they are still content for wholetime station to determine the appliance to be utilised and they have accepted the risk. 3. Confirm with Suffolk that they are still aware of the risk posed and ascertain if there is any intention to mitigate it.	1. Complete 2. Complete 3. September 16	3. R Hylton

Comments
This is a risk to the Authority but it is outside of the control of the Authority as it relates to the mobilising requirements of Suffolk Fire and Rescue Service.

5.4 The Emergency Services Mobile Communication (ESMCP) Project triggers three *Very High* event driven risks with a status of live;

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R093	There is a risk that the ESMCP solution being offered is not sustainable leading to the government having to renegotiate with Airwave leading to increased costs to the Service	Matthew Warren	Service Delivery	20	20

Mitigation activities	Target completion	Owner
1. Maintain a watching brief on this as it is outside of our control	1. Ongoing	1. M Warren

Comments
This risk sits largely outside of the control of the Authority as it is created by an external project. The Home Office is anticipated to be making an announcement regarding the ESMCP project timescales slippage in September 2016. Engagement and monitoring of the situation is ongoing.

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R084	There is a risk that the information regarding required actions to meet the ESMCP timescales are not released in sufficient time to allow for planning leading to reactive work and the Services other priorities being impacted	Matthew Warren	Service Delivery	20	16

Mitigation activities	Target completion	Owner
1. Representatives attending briefings and monitoring the situation carefully. 2. Considering wider regional engagement.	1. Ongoing 2. Ongoing	1. J Barlow/M Warren 2. M Warren

Comments
This risk sits largely outside of the control of the Authority as it is created by an external project. The Home Office is anticipated to be making an announcement regarding the ESMCP project timescales slippage in September 2016. Engagement and monitoring of the situation is ongoing.

Risk	Risk Description	Risk	Impact	Pre-	Post-

Number		Owner	Type	mit score	mit score
STA - R085	There is a risk that the timescales continue to slip on the ESMCP project and impact upon the time available for CFRS to complete the required actions to meet the cutover target dates leading to policies and procedures not being able to be followed and cost implications	Matthew Warren	Finance	20	16
Mitigation activities		**Target completion**		**Owner**	
1. Representatives attending briefings and monitoring the situation carefully. 2. Considering wider regional engagement.		1. Ongoing 2. Ongoing		1. J Barlow/M Warren 2. M Warren	
Comments					
This risk sits largely outside of the control of the Authority as it is created by an external project. The Home Office is anticipated to be making an announcement regarding the ESMCP project timescales slippage in September 2016. Engagement and monitoring of the situation is ongoing.					

5.5.   The following five risks are scored as *High* risks, all of which are constants with an active status, mitigation actions are in progress to reduce these.

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R075	There is a risk that the Service is reliant on the On-Call service to maintain operational cover and with the current retention and recruitment uptake, the model is not sustainable.	Rick Hylton	Service Delivery	16	8
Mitigation activities		**Target completion**		**Owner**	
1. Streamline and improve the recruitment process through the Service Transformation and Efficiency Programme. (STEP) 2. Improving attractiveness of roles through use of more flexible employment terms. 3. On-Call review project to look at the Service as a whole		1. Oct 15 2. Complete 3. April 2016		1. T Mirfin 3. R Hylton	
Comments					
Work has been undertaken to streamline and improve the recruitment process through STEP, this has reduced the administration through the process by 87%. Work is ongoing on the overall mitigations to reduce the risk.					

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R074	There is a risk that with reducing calls the service needs to be assured of the competencies of the On-Call staff, there is a risk of health and safety incidents occurring.	Rick Hylton	Health and Safety	15	10
Mitigation activities		**Target**		**Owner**	

				completion	

Mitigation activities	Target completion	Owner

1. Ongoing review Project Review On-Call
   1a. Review skills set and assess where skill sets may need to be increased.
   1b. Review alternative models for the provision of on-call, consider if the Tactical Delivery Group (TDG) may be able to provide support
   1c. Review of equipment used on On-Call appliances
   1d. Review the types of appliance used by the on-call
   1e. Investigate the option of On-Call TDG
   1f. Review secondary contracts for Wholetime
2. Implement recommendations from the On-Call review project
3. Increasing support to on call staff from Wholetime staff
4. Ongoing programme of Station inspections which provide a view of competences and then there is an accompanying support to bring up competencies where required.
5. Co-responding project undertaken.
	1a-f. Ongoing
	2. TBC
	3. Complete
	4. Ongoing
	5. Ongoing
		1. R Hylton/G Mitchley
		2. R Hylton
		4. M Moore
		5.S Newton

Comments
Work is progressing on the mitigation activities to attempt to reduce the risk. No change to the risk at this time.

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R010	There is a risk that due to a potential lack of controls around the application of legislations i.e. Health and Safety/ Asbestos exposure/Legionella, which may lead to breach's with the potential for prosecution, injury/death to employees/others, exposure to compensation claims/ reputation damage.	Rick Hylton	Health and safety	12	4

Mitigation activities	Target completion	Owner
1. Rick to raise with Health and safety to establish the current controls that are in place. 2. Employment of specialists to provide advice and guidance in Health and Safety. (H&S) 3. Current management system controls in place and regularly audited by internal independent auditor and externally by BSI during scheduled visits. 4. Internal specialist staff and external specialist auditors undertake regular management system reviews, through interviews with H&S team and Property Group staff to determine compliance and confidence levels 5. BSI OHSAS 18001:2007 held since 2011 and reaccredited on a rolling 3 yearly cycle by external specialist auditors, last recertified in 2014 due again in April 2017 6. Monitoring of incidents conducted and reporting	1. Complete 2. Complete 3. Monthly 4. Annual 5. April 2017 6. Ongoing 7. Ongoing 8. Ongoing 9. 1st October 2016 10. 1st December 2016	3 – 10 D Taylor

undertaken, putting in place rectification actions where required.
7. Maintenance of the 18001 accreditation
8. 6 monthly station inspection assurance programme in place to evaluate level of internal compliance with requirement.
9. Review existing Risk assessment documentation and guidance to ensure ease of use by staff and consistent application.
10. Consider additional training and guidance material to be given to Stations and Watches once guidance and forms revised.

Comments
The risk has been turned from Controlled to Active due to a recent event that has resulted in an investigation and recommendations to review and revise the current risk assessment documentation available to Stations and Watches. Until these mitigations are completed the Pre-mitigation probability has been moved to 3 from 1, this change has moved the risk from a low risk to a high risk. Work is underway to reduce this and will be completed by December 2016.

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R032	There is a risk that owing to resources levels it may take the Service longer to achieve its aims and goals which may become unachievable.	Chris Strickland	Service Delivery	12	9

Mitigation activities	Target completion	Owner
1. Redefine the activities that must be delivered by the Service through the Service planning process. 2. Review resourcing at the Business Development Programme Board. 3. Inform members of potential delay. 4. Consider programme control to further enhance the use of resources. 5. Maintain the Resource Management plan to understand the resource implications across the Service and establish realistic timescales for delivery of activities.	1. October 16 2. 5th September 16 3. Ongoing through Project Boards 4. Ongoing 5. Monthly	1. Director Advisory Board (DAB) 2. T Mirfin 3. C Strickland 4. C Strickland 5. T Mirfin

Comments
This risk had increased over the past 12 months due to a number of changes with personnel. The mitigation actions have been refreshed to reduce the risk back down again. Heads of Group are engaged in ongoing resourcing discussions to understand potential areas of impact. The existing programme and project board governance structure provides monthly monitoring of this risk.

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R001	There is a risk of reliance on key staff; in the event that key staff leave or are absent this may lead to the Service being unable to deliver core services and/or resilience to support incidents.	Matthew Warren	Service Delivery	12	9

Mitigation activities	Target completion	Owner
1. Business Continuity Planning through the	1. Complete -	1. A Brown

corporate project action plan in place for further activities. 2. Pre planning for Pandemics/Flu. - Influenza Management team set up and in place. 3. Look for skills transfer within teams. 4. BS standard achieved 5. Restructuring within the service to manage single points of failure. 6. Shared Services for ICT established to share skills with other authorities. Structure now in place. 7. The workforce development strategy is being developed. 8. Create a local authority controlled company which will incorporate Shared Services and provide resilience, subject to Authority approval. 9. Put in place succession plan 10.Review of structure 11. Look to the wider partners for collaboration opportunities 12. Ensure that documentation is maintained and kept within DMS. 13. Delivery of the Business Continuity Action plans/events. Testing of plans built in to activities.	assessment in May to understand if a refresh is required. 2. Complete 3. Ongoing first tests complete 4.Complete 5. Complete 6. Complete - In operation 7. Complete 8. April 17 9. Dec 16 10. Dec 17 11. Ongoing 12. Ongoing 13. Ongoing	3. A Brown 8. M Warren 9. Directors 10. Directors 11. Directors 12. Head of Groups (HoGs) 13. HoGs
Comments		
This risk has increased over the past 12 months due to a number of changes in personnel; mitigation plans are in place and being actioned to reduce the risk.		

5.6 The following *High* risks are event driven and categorised as live;

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R072	There is a risk that due to the investment required to upgrade and enhance the ICT infrastructure there may be a insufficient capacity in the Team to deliver the work required.	Matthew Warren	Service Delivery	16	12
Mitigation activities		**Target completion**		**Owner**	
1. Ensure that we have a proper roll out plan. 2. Ensure that appropriate testing is in place before roll out 3. Robust evaluation of the way forward and senior management engagement in decision making to ensure it is business focussed. 4. Effective communication planning. 5. Consider Programme Plans and impacts on these to consider scheduling 6. Outsource critical works. 7. Increase Server team by 2 additional staff to ease bottle neck. 8. ICT Project manager post to help with the management and delivery of work		1. Ongoing 2. All Projects 3. Ongoing 4. Jan 2017 5. Ongoing 6. Ongoing 7. Complete 8.Complete		1 – 6 J Fagg	
Comments					
A programme of required work is in place and with the recent appointment of the ICT Project manager to assist in the delivery of the mitigation actions and liaison with the wider service.					

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R091	There is a risk that due to difficulties in the joint administration of the ICT shared Service, it may need to be re-in sourced causing a budgetary increase and loss of resilience	Matthew Warren	Finance	16	8
Mitigation activities		Target completion		Owner	
1. ICT Shared Service Board to monitor and work to resolve issues 2. Review the existing Shared Service structure to check it has capacity to meet the requirements 3. Implement new technologies to reduce the system maintenance overheads.		1. Ongoing 2. Dec 16 3. Ongoing		1. M Warren 2. J Fagg 3. J Fagg	
Comments					
This is a new risk; it has initially been scored as a high risk. Work is ongoing within the shared service to reduce the probability of this risk being realised, subject to the agreement by both services the intention is for the second mitigation action to reduce the probability of the risk being realised.					

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R007	There is a risk that Government funding is insufficient to meet the new demands meaning that performance improvements are not sustained, new initiatives cannot be taken forward.	Matthew Warren	Finance	12	6
Mitigation activities		Target completion		Owner	
1. Robust finance planning integrated into business planning 2. Efficiency planning / targets 3. Programme management 4. Budget holder training - buddy system, budget holders support 5. Understand financial climate 6. Financial Planning meeting to be held in September. 7. Service Redesign programme in place to identify cost savings 8. Zero based planning exercise complete by Heads of Group in for Director Advisory Board (DAB) for review. 9. CSR - Workshops/feasibility studies/projects		1. Ongoing 2. Ongoing 3. Ongoing 4. Ongoing 5. Ongoing 6. Complete 7. Complete 8. Complete 9. Ongoing		1. M Warren 2. Budget holders 3. T Mirfin 4.M Warren 5. M Warren 9. M Warren/C Strickland	
Comments					
The mitigations for this risk are in progress, with the completion of the actions the probability of the risk occurring will reduce.					

5.7   The following three risks are *High* risks categorised as constant with a status of controlled;

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit	Post-mit

				score	score
STA - R046	There is a risk that the skills/resources required to deliver the programme are not available in the right quantities within the Service.	Matthew Warren	Programme	12	12

Mitigation activities	Target completion	Owner
1. Resource planning to ensure the organisations capacity is managed and ensured that implications of resource required understood. 2. Outsource skills when required, this is based on a capacity and skills mix. 3. Horizon scanning for future resource requirements to allow resource planning	1. Ongoing 2. Ongoing 3. Dec 16	1 – 3 T Mirfin

Comments
This probability of this risk occurring has increased moving this to a high risk for the Service. Work is ongoing to review the current status of the Services capacity to deliver the change programme. Key departments affected have been identified as ICT, Procurement, Application Support Group, Human Resources and the Property department. Some low priority projects have been deferred and others staged to manage the resource impacts. This is managed on an ongoing basis through Programme Board.

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R027	There is a risk that due to ongoing discussions/activities nationally (Pay award – Fire Brigades Union (FBU), Government actuaries - Review of Pensions) and internal changes at CFRS there may be disputes and the potential for strikes.	Rick Hylton	Service Delivery	12	12

Mitigation activities	Target completion	Owner
1. Ensure that the existing communication channels (Sharp End News (SEN), station management, visits and inspections, Blogs, team brief and back to the frontline days) are utilised to ensure good communication with staff. 2. Increase liaison with the FBU in relation to the Service Improvement Projects and the CSR 3. Direct communication with staff through the Service Improvement Projects and the CSR 4. Implement the Internal Audit (IA) Contingency planning process. 5. Review the contingency plans as staff turnover may have impacted on our plans and ability to respond Controls 6. Liaisons with Unions at monthly meetings. 7. Ongoing communications with staff through Senior Leadership Team (SLT) visits, SEN, manager seminars etc. 8. Implement the findings from the review of the IA contingency plans (split for ongoing disputes and future disputes) 9. Complete and return the CFRA questionnaire around contingency arrangements	1. Ongoing 2. Ongoing-monthly. 3. Ongoing 4. Ongoing 5.Complete 6. Monthly 7. 3 Monthly 8. Dec 16 9. Complete	1. Directors 2. C Strickland 3. C Strickland 4. C Strickland 6. R Hylton 7. Directors 8. R Hylton

Comments

There has been no change to this risk, it is under control as far as can be achieved. The mitigations are ongoing and continually monitored therefore the premitigation and post mitigation are equal as the risk is controlled

Risk Number	Risk Description	Risk Owner	Impact Type	Pre-mit score	Post-mit score
STA - R011	There is a risk that due to negligence within the organisation legislations i.e. Health and Safety/ Asbestos exposure/Legionella/Operational may be breached with the potential for prosecution, injury/death to employees/others, exposure to compensation claims/ reputation damage.	Rick Hylton	Health and Safety	10	10

Mitigation activities	Target completion	Owner
1. Rick to raise with Health and safety to establish the current controls that are in place. 2. Employment of specialists to provide advice and guidance in Health and Safety. 3. Current Management system controls in place and regularly audited by internal independent auditor, and externally by BSI during scheduled visits 4. Training and assessments of competency levels available via ilearn - further work required to develop these. 5. Information is being disseminated to stations in the same place at each station. 6. Raising awareness through Health and Safety Reps. 7. Station visits to raise awareness 8. Reviewing outcomes from recent reviews, (Warwickshire, Hampshire) and Institute of Fire Engineers (ilfe) where appropriate. 9. Look to see if National Standard operating procedures can be utilised in Cambs (South East WOW) 10. Incident monitoring to review Health and Safety. 11. Health and safety conduct 6 monthly visits to Stations to assess level of compliance with requirements. 12. ISO 18001 certification achieved for all locations	1. Complete 2. April 2017 3. Complete 4. Ongoing 5. Complete 6. Complete; ongoing 7. Complete 8. Complete 9. Ongoing 10. Ongoing 11. Ongoing 12 Complete	2. D Taylor 4. D Taylor 6. D Taylor 9. OSG 10. A Brown 11. D Taylor
Comments		
There has been no change to this risk, it is under control as far as can be achieved. Due to the nature of this risk, e.g. negligence, the probability of it occurring is low but the impact should it occur is rated as high, mitigations and control are in place to reduce the probability, therefore the premitigation and post mitigation are equal as it is felt to be controlled.		

BIBLIOGRAPHY

Source Document	Location	Contact Officer
Strategic Risk Register September 2016	Fire Service HQ Hinchingbrooke Cottage Huntingdon	Matthew Warren 01480 444619 matthew.warren@cambsfire.gov.uk