

Bedfordshire Fire and Rescue Authority
Audit and Standards Committee
2 December 2021

REPORT AUTHOR: HEAD OF STRATEGIC SUPPORT AND ASSURANCE

SUBJECT: CORPORATE RISK REGISTER

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Background Papers: None

Implications (tick ✓):

LEGAL			FINANCIAL	✓
HUMAN RESOURCES		✓	EQUALITY IMPACT	
ENVIRONMENTAL			POLICY	✓
CORPORATE RISK	Known	✓	OTHER (please specify)	
	New	✓		

Any implications affecting this report are noted at the end of the report.

PURPOSE:

To review the progress of the Authority's Corporate Risk Register

RECOMMENDATION:

That the Audit and Standards Committee, in carrying out their monitoring of the Risk Register:

- comment on the effective development and application of the Corporate Risk Register; and
- consider if the aims for Risk Management are still relevant.

1. Introduction

- 1.1 Managing risks, both operational and strategic, is an important part of ensuring that the resources of Bedfordshire Fire and Rescue Service are used to best advantage. Risk is inherent in most things that the Service does and much of its activity is already assessed and managed through the application of the operational risk management procedures. The Corporate Risk Register details risks and mitigation to ensure risk is managed appropriately and proportionately.
- 1.2 The aims of Risk Management for Bedfordshire Fire & Rescue Service (“the Service”) are to:
 - Protect the assets of the Service
 - Ensure service continuity
 - Facilitate innovation and opportunity

2. Background

- 2.1 The corporate risk register captures and describes the Authority’s most significant risks, with a focus on reducing risks by implementing mitigating actions. It is formally reviewed and refreshed on a regular cycle by the Corporate Management Team (CMT) for progress.

The process includes the identification, assessment and recording of risks and mitigating activities which is incorporated into Service plans. The final stage of the process, once risks have been reviewed by risk owners, is for the Audit & Standards Committee to consider and comment.

Horizon scanning is used to explore potential future developments, better anticipate risks and emerging trends that might affect the Service. It helps by taking a longer-term strategic approach and makes present plans more resilient to future uncertainty. Members will remember the Horizon Scanning update given at the Fire Authority meeting on 2 November 2021.

3. Corporate Risk Register

3.1 The Risk Register's eight corporate risks are:

1. The Service does not have the capacity or capability to respond to significant events and meeting service delivery requirements;
2. Failure to meet service delivery legislative prevention and protection requirements;
3. Failure to maintain ICT systems to ensure an effective service response;
4. Insufficient funds to deliver the organisations Community Risk Management Plan;
5. Inability to respond to a major operational incident;
6. Death or serious injury in the workplace due to BFRS activities;
7. Ensure that our data management arrangements are robust; and
8. The Service fails to effectively record, track and maintain its key assets and business critical equipment.

3.2 The Corporate Risk Registers includes only the risks that have a significant impact on the FRA to deliver its fire and rescue services. As of 30 September 2021 the Register contains eight Corporate Risks which are categorised as:

- 1 Very High Risks
- 2 High Risk
- 5 Moderate Risks
- 0 Low Risk

- 3.3 The new corporate risk register has recently been added to the new Business Management Information System (BMIS), replacing the previously used Word document and this element went live on 1 November 2021. Risk management represents the first use of BMIS. Risk management is undergoing a transitional phase and the BMIS system represents a step change in:
- Accountability – in line with our service values. Heads of service are now risk owners and will take more responsibility for updating their risk areas;
 - Efficiency - for example, the completion of this report took only two hours compared to several hours previously and has avoided chasing and requesting further information from senior managers;
 - Clear audit trails – viewers can see current and historical updates clearly and provides a clear audit trail to assess adequacy and effectiveness of mitigating actions;
 - Linkages – our policy framework and project updates will be integrated into BMIS. As a result, the impact of risk updates on other areas of the business will be possible. For example, any changes in progress with key projects will be reflected in the corporate risk register. Links to service values are clearly made;
 - Live updates – information will be available in real time. Risk owners are assigned to each issue with active mitigation in place;
 - Integration – several other risk registers are being linked and referenced as control measures.
- 3.4 All-risk owners are having update training on the BMIS system to help them enter risk updates and improve their understanding of how we decide on and calculate risks. How we decide risks is a frequent question asked and it is appropriate to give Members the same information to help understand how risks are managed.
4. How we decide risk
- 4.1 The corporate risk profile is plotted on an industry standard Red Amber Green (RAG) risk threshold. The standard risk threshold is shown below and the threshold represented by a thick black line, allows all green, yellow risks, and amber level risks that are unlikely (2x4) and/or likely (3x3), to be within acceptable limits.

IMPACT	Catastrophic 5	5	10	15	20	25
	Significant 4	4	8	12	16	20
	Moderate 3	3	6	9	12	15
	Minor 2	2	4	6	8	10
	Insignificant 1	1	2	3	4	5
		Negligible 1	Rare 2	Unlikely 3	Possible 4	Probable 5
	LIKELIHOOD					

4.2 Risk appetite is the amount of risk that we are prepared to tolerate in order to meet our objectives and reflects our attitude towards risk taking and innovation as an organisation. The Authority's risk appetite is low to low-moderate. Informed risk taking is permitted provided adequate risk assessment has been applied and documented.

Risk Rating/Colour	Risk Rating Considerations / Action
Very High	<p>Very High risks which require urgent management attention and action. Where appropriate, practical and proportionate to do so, new risk controls must be implemented as soon as possible, to reduce the risk rating. New controls aim to:</p> <ul style="list-style-type: none"> · Reduce the likelihood of a disruption · Shorten the period of a disruption if it occurs · Limit the impact of a disruption if it occurs <p>These risks are monitored by CMT risk owner on a regular basis and reviewed quarterly and annually by CMT.</p>
High	<p>These are high risks which require management attention and action. Where practical and proportionate to do so, new risk controls should be implemented to reduce the risk rating as the aim above. These risks are monitored by CMT risk owner on a regular basis and reviewed quarterly and annually by CMT</p>
Moderate	<p>These are moderate risks. New risk controls should be considered and scoped. Where These are moderate risks. New risk controls should be considered and scoped. Where practical and proportionate, selected controls should be prioritised for implementation. These risks are monitored and reviewed by CMT.</p>
Low	<p>These risks are unlikely to occur and are not significant in their impact. They are managed within CMT management framework and reviewed by CMT.</p>

4.3 Risks that are rated as almost certain and catastrophic (5x5), almost certain and critical (5x4), highly likely and catastrophic (4x5) or likely and catastrophic (3x5) will still be deemed to be outside acceptable limits. These risks will be subject to extra scrutiny to check that the rating is correct, whether the activity can be pursued and what immediate management action can be taken to bring the risk to within more acceptable limits.

LIKELIHOOD			IMPACT			
LEVEL	DESCRIPTOR	MEASURE	LEVEL	SERVICE IMPACT	FINANCIAL IMPACT	DESCRIPTOR
1	Rare	The event may occur in exceptional circumstances	1	Insignificant	Financial loss <£25k	No injuries
2	Unlikely	The event may occur infrequently	2	Minor	Financial loss >£26k <£100k	Minor injuries
3	Possible	The event may occur at some time	3	Moderate	Financial loss >£101k <£250k	Serious injury
4	Likely	The event is expected to occur	4	Significant	Financial loss >£251k <£500k	Severe or multiple injuries
5	Almost Certain	The event will occur in most circumstances	5	Major	Financial loss >£501k	Loss of life or long term hospitalisation.

5. Risk Updates

5.1 Updates across all risk titles have been recorded, but no changes to the overall risk scores at this time. The CMT continue to track progress on the actions. Updates:

Corporate Risk 1 - The Service does not have the capacity or capability to respond to significant events and meeting service delivery requirements

- The new Principal Officer team has been consolidated and the new Deputy Chief Fire Officer started work on 5 November. The Head of Strategic Support and Assurance started work on 25 October 2021.
- The Prevention team is undergoing a restructuring to help recruit more volunteers and support growing opportunities and support engagement with local authorities to learn from them, avoid duplication, and collaborate. The new structure will build capacity in how we identify people living in circumstances that make them vulnerable, and in managing safeguarding. This mitigates risks in this area.
- Our Station Productivity Assessment review is nearing completion, the next phase of the Emergency Cover Review is starting, and our reviews of Special appliances, equipment, and their capabilities is well underway.
- The Authority launched its new Group Manager Promotion Gateway on 5 November 2021. This will build organisational resilience and provide opportunities for high performing staff to progress.
- 18 control measures have been added to the BMIS system including ensuring the competency of training managers.

Corporate Risk 2 - Failure to meet service delivery legislative prevention and protection requirements

- A project is ongoing to develop an in-house risk analysis capability for Risk Based Inspections.
- The 21-22 Government Grant being used to create three additional fixed term Fire Safety Advisor posts. As a result, we will be more able to react to changes in Government Policy
- We are currently on track to meet CRMP 21-22 target of 10,000 Safe and Well visits, work is nearing completion on delivery of revised visit database and mobile working.
- The Grenfell Action plan has recently been updated and scrutinised in detail at the last Health and Safety Steering Committee. Good progress is being made.
- 22 control measures are in place including data sharing and updated enforcement policy.

Corporate Risk 3 - Failure to maintain ICT systems to ensure an effective service response

- 7 control measures are in place including establishing digital champions, attaining Cyber Essentials accreditation and improving staff digital literacy.

Corporate Risk 4 - Insufficient funds to deliver the organisations CRMP

- The budget process for 2022/23 is ongoing. We await information from the Home Office, expected late December for the provisional settlement.
- The next Budget Monitoring report to CMT and the FRA have been provided.
- A paper was presented to the FRA Executive committee on the impact of pensions and pay awards in October 2021. The FRA meeting on the 2 November included papers on budgets, capital and treasury updates.
- BMIS contains 5 control measures including maintaining the skills and capacity of the Finance team.

Corporate Risk 5 - Inability to respond to a major operational incident

- 24 control measures are in place on BMIS including regular operational debriefs, and regional Principal Officers' meetings to share learning.

Corporate Risk 6 - Death or serious injury in the workplace due to BFRS activities

- 24 control measures have been added to BMIS including training and development, and adoption of National Operational Guidance.

Corporate Risk 7 - Ensure that our data management arrangements are robust

- Information Management & Assurance Board (IMAB) meetings continue, Phishing scam reminders are put in the Blue Bulletin to ensure staff are aware.
- Further cyber security checks are planned.
- 5 control measures are in place on BMIS including training, data sharing protocols, and on contingency testing.

Corporate Risk 8 - The Service fails to effectively record, track and maintain its key assets and business critical equipment

- Fleet system has been successfully tested with General Ledger upgrades. WIFI roll out will support connectivity of agile working tablets for technicians. As a result, good corporate records system are in place.
- 24 control measures are in place including ensuring stations records management, and progress with the new asset tracking project.

Corporate Risk 9 - Service is adversely impacted by COVID 19

- Regular Covid updates from partners and UK government are shared internally. The Authority is closely following UK government guidance.
- Staff have been asked to voluntarily provide their vaccine status.
- 5 control measures are in place including links to the Covid Cell and other internal groups.

6. Summary and Next Steps

6.1 The Corporate Risk register will continue to be reviewed quarterly.

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