

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

27 MARCH 2017

1. CORPORATE RISK UPDATE

Report of the Chief Fire Officer.

RECOMMENDED

THAT Audit Committee approve the Corporate Risk Assurance Map Summary (Quarter 2 Appendix 1 and Quarter 3 Appendix 3) and note the Position Statement (Quarter 2 Appendix 2 and Quarter 3 Appendix 4) for each risk. This covers Quarter 2 and 3 2016/17.

2. PURPOSE OF REPORT

This six monthly update is provided to ensure Members remain informed about all aspects relating to the management of the Authority's corporate risks.

3. BACKGROUND

- 3.1 This report includes the Corporate Risk Assurance Map Summary and the Position Statement for two quarters. This is the first report using the 'new' and 'revised' Corporate Risks as agreed by Members at the Audit Committee Meeting held on the 25 July 2016.
- 3.2 In accordance with the Service's risk management strategy, the Corporate Risk Assurance Map Summary is submitted for approval by the Audit Committee, following its submission and discussion at the Corporate Performance Review Meeting.
- 3.3 Corporate risks are those risks which if they occurred would seriously affect the Authority's ability to carry out its core functions or deliver its strategic objectives as set out in The Plan. Currently, the Service maintains 9 corporate risks, some of which have more than one element.

- 3.4 Each corporate risk is assigned to a Risk Owner, who is a member of the Strategic Enabling Team. The Risk Owner has the overall responsibility for monitoring and reviewing the progress being made in managing the risk.
- 3.5 To enable for effective risk management, the Risk Owner will periodically undertake an assessment of each corporate risk. The frequency of this review will be based upon the estimated risk rating undertaken on the basis of likelihood x impact. The likelihood is a measure of probability of a given risk occurring using a scale of 1 (low) to 4 (high). The impact is a measure of the severity or loss should the risk occur again, using a scale of 1 (low) to 4 (high).

LIKELIHOOD	4				
	3				
	2				
	1				
		1	2	3	4
		IMPACT			

	HIGH RISK - periodic review every 6 weeks
	MEDIUM RISK - periodic review every 3 months
	LOW RISK - periodic review every 6 months
	VERY LOW RISK - periodic review every 12 months

- 3.6 In order to ensure that Members are kept informed of corporate risk matters a Corporate Risk Assurance Map Summary for Quarter 2 2016-17 (Appendix 1), Position Statement Quarter 2 2016-17 (Appendix 2), Corporate Risk Assurance Map Summary for Quarter 3 2016-17 (Appendix 3) and Position Statement Quarter 3 2016-17 (Appendix 4) are attached.

3.7 In undertaking a review of corporate risks, the Risk Owner has reviewed the Corporate Risk Assurance Map. The Assurance Map provides details of:-

- the strategic objectives and performance indicators relevant to the risk;
- the strategic objectives and performance indicators relevant to the risk;
- the current risk score;
- a description of events that could lead the corporate risk to be realised; and
- the control measures in place designed to reduce the likelihood of risk realisation or its impact should the risk be realised.
- additional control measures currently implemented to further reduce the likelihood or impact; and
- control owners who are responsible for the implementation, maintenance and review of individual control measures.

3.8 As part of the review the Risk Owner has considered the risk score and rating and updated the Assurance Map. The Risk Owner has provided assurance that the control measures identified are still effective in the management of risk and identified whether any new risk events or controls have been implemented or are required.

3.9 Where ongoing additional controls are being implemented, Risk Owners have confirmed the progress in implementing such controls.

3.10 The revised 9 Corporate Risks aligned to The Plan were reported on in Quarter 2 for the first time.

Increase/decrease in Overall Corporate Risk Score

3.11 In Quarter 2 and 3 there was no increase or decrease in any of the risk scores.

3.12 The Position Statements attached as Appendices 2 and 4 provides the detail of the risk management activity undertaken or ongoing in respect of the Authority's 9 Corporate Risks for Quarter 2 and Quarter 3 2016-17.

- Corporate Risks 1, 2, 4, and 8 have been awarded a green confidence (substantial) opinion, which is the highest level that can be awarded.
- Corporate Risks 3, 5, 7 and 9 have been awarded an amber (satisfactory) confidence opinion. In all cases, work is in progress to enable for a green rating to be attained.
- No red (limited) confidence opinions were awarded.

Position Statement Summary

3.13 Corporate Risk 1 – External (Political and Legislative) Environment. Although the risk score has not changed, the likelihood of governance change is high. The current Future Governance Working Group has been added as an additional control measure to the risk register.

3.14 Corporate Risk 4 – Protection. The risk score has not changed but an additional control measure has been added to the risk register. Protection continues to utilise the Command Risk Profiles produced through the Integrated Risk Management Team whilst ILAP is being developed.

4. EQUALITY IMPACT ASSESSMENT

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report do not relate to a policy change.

5. LEGAL IMPLICATIONS

There are no direct legal implications associated with the implementation of the recommendations set out in this report.

6. **FINANCIAL IMPLICATIONS**

There are no financial implications associated with the implementation of the recommendations set out in this report.

7. **ENVIRONMENTAL IMPLICATIONS**

None

BACKGROUND PAPERS

Frequency of Risk Reporting to Audit Committee, Audit Committee Report, 11 April 2016



Corporate Risk Update to Audit Committee, Audit Committee Report, 25 July 2016






The Author of this report is Deputy Chief Fire Officer, Philip Hales, telephone number 0121 380 6004.





PHIL LOACH
CHIEF FIRE OFFICER



Appendix 1

Corporate Risk Assurance Map - Summary - Quarter 2 2016/17

No.	Outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
CR1	External (Political and Legislative) Environment	SE Strategic Hub - Karen Gowreesunker					
1.1	Public Sector Reform enables new duties and/or major changes to the governance, structure, role or activities of the fire and rescue service requiring major re-organisation, resulting in an inability to deliver against organisational strategy and planned community outcomes.				3	2	6
1.2	The Fire Authority is unable to positively position itself within public sector reform to sustain and create new services resulting in reduced confidence, credibility and/or reputational damage.				3	2	6
CR2	People	SE People - Sarah Warnes					
2.1	The Fire Authority is unable to maintain positive staff consultation and engagement, resulting in an inability to deliver strategic objectives, outcomes and continuous improvement.				3	3	9
2.2	The Fire Authority is unable to deliver its Service Delivery Model effectively, as a result of insufficient or ineffective employees, throughout the organisation, resulting in reduced confidence and credibility; and increased reputational damage.				2	3	6

2.3	The Fire Authority is unable to meet statutory duties to provide a safe and healthy workplace and protect the environment, resulting in a significant failure and reduced confidence and credibility; and increased criminal proceedings, litigation and reputational damage.				2	3	6
CR3	Delivery of Services - Prevention	SE Prevention - Jason Campbell					
3.1	The Fire Authority is unable to engage with the most vulnerable members of the community and reduce community risk resulting in increased fire and non-fire related incidents, fatalities and injuries.				3	2	6
3.2	The Fire Authority is unable to establish effective partnership arrangements and deliver community outcomes, resulting in a significant impact upon the organisation's financial standing, reputation and ability to deliver key objectives.				3	2	6
No.	Outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
CR4	Delivery of Services - Protection	SE Protection - Simon Barry					
4.1	The Fire Authority is unable to effectively discharge its duties under the Regulatory Reform (Fire Safety) Order and associated legislation, resulting in a decline in non-domestic fire safety standards; reduced confidence and credibility; and increased litigation and reputational damage.				3	2	6
4.2	The Fire Authority is unable to maintain its command and control function, resulting in an inability to receive, process and respond to emergency calls effectively, so increasing community risk; reducing confidence and credibility; and increasing reputational damage.				2	3	6

CR5	Delivery of Services – Response	SE Response - Ben Brook					
5.1	The Fire Authority is unable to ensure that operational incidents are dealt with safely, assertively and effectively using appropriate levels of resources and personnel, resulting in increased firefighter and community risk; reduced confidence and credibility; and increased reputational damage.				1	4	4
CR6	Business Continuity & Preparedness	SE Organisational Preparedness - Steve Taylor					
6.1	The Fire Authority is unable to provide business continuity arrangements, to maintain delivery of core functions, as a result of extensive disruption to normal working arrangements, including national and international deployments, significant and major events, resulting in increased community risk; reduced confidence; increased reputational damage; and external scrutiny.				3	3	9
CR7	Information, Communications and Technology	SE ICT - Jason Danbury					
7.1	The Fire Authority is unable to provide and maintain an effective ICT provision to support the delivery of core functions, resulting in significant disruption to the organisation's functionality, reduced confidence, credibility, reputational damage and external scrutiny.				2	4	8
7.2	The Fire Authority is unable to provide effective management and security of organisational information and documentation including the receipt, storage, sharing and transfer of information and data, resulting in reputational damage, litigation, substantial fines and external scrutiny.				3	3	9

No.	Outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
CR8	Finance & Assets	SE Finance and Resources - Mike Griffiths					
8.1	The Fire Authority is unable to deliver its statutory responsibilities, predominantly through the Service Delivery Model, due to insufficient funds, resulting in external scrutiny and intervention; reduced confidence and credibility; and increased reputational damage.				3	3	9
8.2	The Fire Authority is unable to deliver effective financial management arrangements, due to misuse of funds, resulting in external scrutiny, intervention and litigation.				2	3	6
CR9	Business Development	SE Business Development - Preith Shergill					
9.1	The Fire Authority is unable to create, grow and sustain appropriate flexible funding opportunities and meet financial targets, through the delivery of these opportunities via the Service Delivery Model. This will result in a budget shortfall impacting upon our ability to maintain the Service Delivery Model and delivery of core services.				3	3	9
9.2	The Fire Authority is unable to meet contractually binding arrangements for the provision of commissioned and/or paid services resulting in litigation; reduced confidence and credibility; and increased reputational damage.				2	4	8

Corporate Risk Quarter 2 Position Statement October 2016

Individual Risk Position Statement

Corporate Risk 1 – External (Political and Legislative) Environment

Corporate Risk 1.1:

Public Sector Reform enables new duties and/or major changes to the governance, structure, role or activities of the fire and rescue service requiring major re-organisation, resulting in an inability to deliver against organisational strategy and planned community outcomes.

Emerging Issues	<p>The overall risk score of 6 (likelihood 3 x Impact 2) and risk rating of 'low' is set against this new corporate risk. The likelihood of governance change is quite high however the delivery of core and statutory services as is provided now is unlikely to change. New duties however may be introduced as legislation around FRSs and Devolution legislation emerges. Due to the local development of positive external relationships, commissioning, involvement in the Combined Authority and key work streams (in some cases leading these) the impact of change on the delivery of our wider strategy is currently considered to be low.</p> <p>The Future Governance Working Group is providing a key platform for all key stakeholders including central government Home Office (HO) to consider the most appropriate approach to future governance based on the potential for the future delivery of services and Public Sector Review (PSR).</p>
Changes to control measures	<p>The current Future Governance Working Group needs to be added as an additional control measure which was instigated in 26.7.16.</p>
Assurance updates	<p>The Risk Owner is confident that the approaches and relationships are in place to enable for the continued positive engagement of key stakeholders in being able to influence the PSR agenda locally and nationally. As this is a new corporate risk and many of the controls have been in place for less than 12 months, confidence in the strength of control measures will be monitored and evaluated as we move forward.</p>

Corporate Risk 1.2:

The Fire Authority is unable to positively position itself within public sector reform to sustain and create new services resulting in reduced confidence, credibility and/or reputational damage.

Emerging Issues	<p>The overall risk score of 6 (likelihood 2 x Impact 3) and risk rating of 'low' is set against this new corporate risk. The Authority and Service has positioned itself successfully at this current time in securing Observer status on the Combined Authority, leading the Multiple Complex Needs work stream and through the CFO taking on the CEO role for PSR.</p> <p>The Authority has also successfully entered new areas of commissioned 'health' work with regards to falls response and hospital discharge, supporting priorities of Local authorities, NHS as well as the Service priorities.</p> <p>Whilst the Future Governance Working Group is considering the most appropriate approach for future governance, as part of this it is also providing a key platform for all key stakeholders to consider the potential for the future delivery of services and PSR.</p>
Changes to control measures	<p>The current Future Governance Working Group needs to be added as an additional control measure which was instigated in 26.7.16.</p> <p>Multiple Complex Needs workstream and PSR role also needs to be reflected as new control measures</p>
Assurance updates	<p>The risk owner is confident that the current controls in place provide sufficient assurance at this point in time.</p> <p>As this is a new corporate risk and many of the controls have been in place for less than 12 months, confidence in the strength of control measures will be monitored and evaluated as we move forward</p>

Corporate Risk 2 - People

Corporate Risk 2.1:

The Fire Authority is unable to maintain positive staff consultation and engagement, resulting in an inability to deliver strategic objectives, outcomes and continuous improvement.

Emerging Issues	The overall risk score of 9 (likelihood 3 x Impact 3) and risk rating of 'medium' remains. The relationships with the representative bodies remains positive with a local collective agreement in place for Staffing and Fire Control.
Changes to control measures	<p>Consultation</p> <p>Further ongoing discussions/consultation with the FBU are still very positive and productive. With the reviewed offer now agreed and in place until the 30th April 2017. Close working relationships have continued across a range of areas for change to include the review of partnerships officers, NJC trials for Telecare, Fire Control has been continued with ongoing discussions taking place on a regular basis.</p> <p>The trade unions continue to attend strategic enabling team meetings on a monthly basis – this enables the strategic team and trade unions to have early discussions relating to future planning and emerging change programmes within the organisation.</p> <p>Early consultation through the employee framework continues to support a positive working environment and is well represented.</p> <p>Communication</p> <p>Good communication with staff continues through what's happening visits and middle managers webinars and line manager engagement.</p>
Assurance updates	The risk owner remains confident that the frameworks and procedures are in place to maintain positive engagement within the organisation. Based on this assessment the risk score will remain the same for this quarter.

Corporate Risk 2.2:

The Fire Authority is unable to deliver its Service Delivery Model effectively, as a result of insufficient or ineffective employees, throughout the organisation, resulting in reduced confidence and credibility; and increased reputational damage.

Emerging Issues	The overall risk score is 2 (likelihood) x 3 (impact) = 6 although the risk level remains at Medium.
Changes to control measures	<p>Workforce planning As part of the workforce planning and succession planning strategy, guidance to support managers through the business partners has been provided.</p> <p>The three year staffing strategy continues to provide a strong level of forecasting for the organisation.</p> <p>The organisation is providing a recruitment strategy for April 2017.</p> <p>The competency risk assessment has been reviewed with a number of recommendations – an implementation plan is now being actioned regarding improvements to the CRA which will support the application of S/O 6/3.</p> <p>We continue to review our approach to the recruitment and selection framework and progression. This will enable individuals to have an improved understanding regarding progression and development that is based on their natural performance within the workplace, feedback and development.</p> <p>There has been an increase in sickness for operational staff which has had an impact on staffing. The business partners continue to work with managers to reduce the long term sick and those on restricted duties. This will be reviewed at the end of next quarter and may impact on the overall risk score for next quarter. There is also a focus on the ridership factor.</p> <p>Fitness policy was delayed in its roll out however this will be will be implemented in the next quarter.</p>
Assurance updates	<p>The level of control provided by the Service's Health and Fitness Standing Order will change next quarter to green. This approach will ensure the appropriate framework is in place to achieve the performance requirements set out in the CFOA guidance.</p> <p>The Risk Owner has ensured that control owners have provided assurance for the controls and in particular is focusing on attendance management and the ridership factor.</p>

Corporate Risk 2.3:

The Fire Authority is unable to meet statutory duties to provide a safe and healthy workplace and protect the environment, resulting in a significant failure and reduced confidence and credibility; and increased criminal proceedings, litigation and reputational damage.

Emerging Issues	Overall score remains likelihood 2 (likelihood) x 3 (impact) = 6 amber. Although the SHE is performing well the focus will continue on two type of injuries – slip trips and falls and manual handling.
Changes to control measures	SHE team to provide a collaborative and co-ordinated approach to delivering health and safety messages across PSS team.
Assurance updates	<p>There continues to be good performance around key health, safety and environment performance indicators, there are no indicators to suggest the control level is anything other than substantial.</p> <p>Review of SHE performance across command areas remains positive and continues to be a focus for SHE and the organisation. This has enabled the organisation to provide a Substantial (green) confidence opinion as to the overall collective strength of the control environment and this is reflected on the Corporate Risk Assurance Map summary.</p>

Corporate Risk 3 – Delivery of Services - Prevention

Corporate Risk 3.1:

The Fire Authority is unable to engage with the most vulnerable members of the community and reduce community risk resulting in increased fire and non-fire related incidents, fatalities and injuries.

Emerging Issues	<p>The risk score associated with this risk remains unchanged.</p> <p>The Fire Authority approved implementation plan for Community Safety (referenced in the recommendations of the Partnership Scrutiny Report in January 2016) has led to a period of staff engagement and representative body consultation and has ultimately enabled a new structure to be developed. A central Community Safety team is now in place and is currently identifying suitable working practices to positively impact on the recognised corporate risk around partnerships.</p>
Changes to control measures	<p>Currently there is no change to the control measures for managing corporate risk. It is predicted that the changes to the Partnerships team in headquarters will see benefits with a clear direction of travel seeing a reduction in the score rating for this corporate risk.</p>
Assurance updates	<p>The Scrutiny Committee report provides for a level 3 independent assurance of the control environment and this is reflected on the assurance map.</p>

Corporate Risk 3.2:

The Fire Authority is unable to establish effective partnership arrangements and deliver community outcomes, resulting in a significant impact upon the organisation's financial standing, reputation and ability to deliver key objectives.

Emerging Issues	<p>The risk score associated with this risk remains unchanged.</p> <p>The Fire Authority approved implementation plan for Community Safety (referenced in the recommendations of the Partnership Scrutiny Report in January 2016) has led to a period of staff engagement and representative body consultation and has ultimately enabled a new structure to be developed. A central Community Safety team is now in place and is currently identifying suitable working practices to positively impact on the recognised corporate risk around partnerships.</p>
Changes to control measures	<p>Currently there is no change to the control measures for managing corporate risk. It is predicted that the changes to the Partnerships team in headquarters will see benefits with a clear direction of travel seeing a reduction in the score rating for this corporate risk.</p>
Assurance updates	<p>The Scrutiny Committee report provides for a level 3 independent assurance of the control environment and this is reflected on the assurance map.</p>

Corporate Risk 4 – Delivery of Services – Protection

Corporate Risk 4.1:

The Fire Authority is unable to effectively discharge its duties under the Regulatory Reform (Fire Safety) Order and associated legislation, resulting in a decline in non-domestic fire safety standards; reduced confidence and credibility; and increased litigation and reputational damage.

Emerging Issues	<p>The overall risk score has been increased to 6 from 4 as a result of the known issues with our risk based inspection programme (ILAP) and the fact that development work continues in relation to its replacement.</p> <p>The outcomes of the Organisational Assurance report into our risk based approach will be released shortly and this will support the ongoing evolution.</p>
Changes to control measures	<p>Protection continue to utilise the Command Risk Profiles produced through the IRM team as a control measure whilst ILAP is being developed. In the last quarter, there have been some changes to the reporting and evaluation process in relation to the effectiveness of these risk profiles.</p>
Assurance updates	<p>Level 1 – assurance is provided by the control owner and is verified by the risk owner.</p>

Corporate Risk 4.2:

The Fire Authority is unable to maintain its command and control function, resulting in an inability to receive, process and respond to emergency calls effectively, so increasing community risk; reducing confidence and credibility; and increasing reputational damage.

Emerging Issues	<p>The risk score has reduced as a result of the staffing review being implemented and the industrial dispute being resolved through a local collective agreement.</p> <p>In addition, recruitment has taken place to bring fire control up to the revised establishment levels and the training course is ongoing for these new employees. This will have a positive overall impact as for a prolonged period Fire Control had been operating below establishment which resulted in occasional staffing shortfalls.</p>
Changes to control measures	<p>There is no change to the control measures associated with the effective management of this risk</p>
Assurance updates	<p>Level 2 assurance is provided through the Fire Control Governance Board which is responsible for strategic direction and decision making.</p>

Corporate Risk 5 – Delivery of Services - Response

Corporate Risk 5.1:

The Fire Authority is unable to ensure that operational incidents are dealt with safely, assertively and effectively using appropriate levels of resources and personnel, resulting in increased firefighter and community risk; reduced confidence and credibility; and increased reputational damage.

Emerging Issues	<ul style="list-style-type: none"> • The collective Agreement in relation to staffing will need to be reviewed during the next quarter due to this coming to a conclusion in April 2017 • The Financial cost of Voluntary Volunteer Shifts (VAS) still remains higher than anticipated but fleet availability is high • The Competency Risk Assessment is currently being reviewed and has a specific action plan • The new SSRI PORIS compliance schedule of audit and ICT workbook is currently being embedded
Changes to control measures	<p>The likelihood score remains at 1 and the impact at 4. This is due to the trade dispute being lifted and the collective agreement being in place in relation to staffing. 1 (likelihood) x 4 (impact) = 5</p> <p>In meeting the current funding challenge the Service is has implemented three contributing mechanisms to sustain the Service's Delivery Model against a reducing establishment. These are</p> <ul style="list-style-type: none"> • Voluntary Bank Shifts • Integrated Resilience • Voluntary Additional Shifts. <p>These are reflected as controls on the assurance map. It should be noted that the use of VAS is currently high and this will have an impact on our forecasted budget spend in relation to staffing. It should also be recognised that the collective agreement is due to end in April 2017. During the next quarter work will be undertaken to analyse our current staffing arrangements and an approach to the collective agreement.</p> <p>In order to enable a consistent and appropriate approach to the management of risk appertaining to the implementation of the requirements of Emergency Services Mobile Communications Programme (ESMCP) a single nationally agreed approach to the management of risk has been agreed and a single risk register has been developed. This approach will enable FRS' to locally identify, manage and monitor risks associated with the implementation of ESMCP upon their own FRS whilst also providing a framework to identify, communicate and develop national good practice for managing the shared risks associated with this programme. This approach provides assurance to SET,</p>

	Members, Stakeholders and DCLG alike that FRS' has in place the appropriate infrastructures, frameworks, networks and processes for the timely and risk managed delivery of this programme.
Assurance updates	<p>Gaps have been identified in relation to our Competency Risk Assessment (CRA) and the activity roles and frequencies in relation to core skills. An action plan is in place to address any issues and the CRA for next year is currently being developed.</p> <p>The SSRI process was also identified as not being PORIS compliant during this quarter however a large amount of work has been undertaken and a new workbook and auditing process has been developed to enable us to capture all relevant information.</p>

Corporate Risk 6 – Business Continuity & Preparedness

Corporate Risk 6.1:

The Fire Authority is unable to provide business continuity arrangements, to maintain delivery of core functions, as a result of extensive disruption to normal working arrangements, including national and international deployments, significant and major events, resulting in increased community risk; reduced confidence; increased reputational damage; and external scrutiny.

Emerging Issues	<p>It has been acknowledged that the risk score for Corporate Risk 4.2: relating to Fire Control has been reduced to likelihood 2 (likelihood) x 3 (impact) = 6 medium as a result of the staffing review being implemented and the industrial dispute being resolved through a local collective agreement.</p> <p>Existing controls associated with Business Continuity arrangements remain in place due to the Fire Control staffing review still within the consultation phase.</p> <p>Emerging issues relate to a potential Pandemic Influenza Risk when associated with a reduced Operational Establishment.</p> <p>Accuracy of organisational Policies and Procedures as a consequence of organisational restructures.</p>
Changes to control measures	<p>Overall risk score remains likelihood 3 (likelihood) x 3 (impact) = 9 medium.</p> <p>Pandemic Flu The West Midlands Conurbation Local Resilience Forum has assessed the likelihood of the Pandemic Influenza risk being realised as being medium. This is based on predictor modelling showing that a Pandemic scenario is likely to occur approximately every 11-39 years. To support this historical data shows 4 recorded pandemics of influenza in the past 100 years.</p> <p>Based on understanding of previous pandemics, occurrence is likely in one or more waves possibly weeks and months apart. Each wave may last between 12-15 weeks. Up to half the population could be affected. In the WMC this represents an approximate figure of 6,000 deaths assumed. Business and social economy will be affected by large number of staff absences anticipated to be in the range of 30 – 50%.</p> <p>As we now run a much leaner service, relying on resilience shifts from non-operational personnel and voluntary additional shifts, if a pandemic Influenza scenario were realised, there may be a potential of reduced availability to support high levels of staff absenteeism.</p>

	<p>Policies and Procedures</p> <p>The ongoing reduction in central funding along with the Service's continued commitment to deliver excellence through The Plan has required significant change to organisational structure. The introduction and subsequent review of the Strategic Enabling Team (SET) necessitated organisational re-alignment of structures, functionality and reporting lines at all levels throughout the organisation.</p> <p>As a consequence of this change it has become necessary to review, identify and confirm Strategic Enabler responsibility for organisational policies (Standing Orders, Operational Procedure Notes and Technical Information Notes for example). Accurate and contemporary policies are critical to setting out the key principles and guidance to enable for the safe, assertive and effective delivery of services and activity at all levels of the organisation. Policies are also a core component for the effective management of corporate risk.</p>
Assurance updates	<p>Pandemic Flu</p> <p>Our contingency arrangements relay on using our own operational staff to cover these shortfalls, and where this has been successful in the past to cover periods of Industrial action, due to the reduction in the establishment, it needs to be recognised that it may be more difficult to provide the same level of cover as we have done previously. It also should be noted that in a pandemic scenario, the impacts are likely to be nationwide so seeking assistance from external parties may not be a realistic option. It is also acknowledged that any increase in the use of voluntary additional shifts will have an additional financial impact that could be accommodated through organisational funding reserves. In balancing the financial impact of the use of a significant number of additional voluntary shifts or in the event there is limited staff available to undertake voluntary additional shifts application of the dynamic cover tool will support decision making to ensure that any reduction in available resources will be located in the optimum locations to limit the risk to our communities.</p> <p>Policies and Procedures</p> <p>All Standing Orders and OPN's are currently being reviewed. Using a collaborative approach the Policy Team, working with SET, have identified on the basis of risk, a planned approach to the systematic review and update of all policies. This planned and prioritised approach will enable for all policies to be updated in a timely manner. This will ensure that, upon completion, all policies fall within the three year review cycle expectation of the organisation.</p>

	<p>In terms of safety to firefighters and the community Operational Procedure Notes (OPN) are our most risk critical policies. There are some references to roles and responsibilities that are out of date in the OPN. However as part of the ongoing approach to introducing sector National Operational Guidance (NOG), OPN have continued to be update and as such risk critical information remains up to date. However, because of the importance of these documents, OPN will be included in the overall review of policies.</p>
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Corporate Risk 7 – Information, Communications and Technology

Corporate Risk 7.1:

The Fire Authority is unable to provide and maintain an effective ICT provision to support the delivery of core functions, resulting in significant disruption to the organisation's functionality, reduced confidence, credibility, reputational damage and external scrutiny.

Emerging Issues	<p>The overall risk score is 8. The risk continues to be medium. The risk level is likely to reduce over the next quarter as the implementation of Office 365 commences. A project manager has been appointed and third party consultation is being used to expedite the project.</p> <p>This suite of products will enable secure accessibility to ICT functionality from a wider range of devices and locations including ones not provided by the organisation. The majority of organisational data will be held in cloud storage thus reducing the reliance on in-house processes, procedures and infrastructure to access and maintain data. This project is in its design stage and will not impact the risk level until some of the outcomes are delivered.</p> <p>Transfer of organisational responsibility from Department of Communities and Local Government to the Home office may change information security requirements but these are as yet unconfirmed.</p>
Changes to control measures	<p>The planned implementation of Office 365 reduces the impact significantly of the loss of an on-premises data centre.</p> <p>Work is ongoing to establish accreditation for Code of Connection (CoCo) to the Emergency Services Network (ESN) and the Public Services Network (PSN).</p>
Assurance updates	<p>The overall risk confidence opinion is amber.</p>

Corporate Risk 7.2:

The Fire Authority is unable to provide effective management and security of organisational information and documentation including the receipt, storage, sharing and transfer of information and data, resulting in reputational damage, litigation, substantial fines and external scrutiny.

Emerging Issues	The overall risk score is 9. The risk continues to be medium. The risk level is likely to reduce over the next quarter when the Management of Information Framework is implemented.
Changes to control measures	<p>The implementation of the Management of Information Framework will be supported by appropriate guidance and awareness for all employees. The framework will change the way that information is managed within the organisation.</p> <p>Consultation is currently underway to create appropriate accreditation processes for in-house developed systems such as the Incident Recording System.</p>
Assurance updates	The overall risk confidence opinion is amber.

Corporate Risk 8 – Finance & Assets

Corporate Risk 8.1:

The Fire Authority is unable to deliver its statutory responsibilities, predominantly through the Service Delivery Model, due to insufficient funds, resulting in external scrutiny and intervention; reduced confidence and credibility; and increased reputational damage.

Emerging Issues	<p>The risk score remains at 3 (Likelihood) x 3 (Impact) = 9. The overall risk level is Medium.</p> <p>In February 2016, The Government communicated the Authority's Core Funding settlement. In setting out a provisional 4 year settlement, confirmation was received that the core funding reduction would be circa £10 Million by 2019/20. Whilst this reduction is less than was forecast, it still presents a significant challenge to the Service in terms of setting a balanced budget. In planning for significant funding reductions, the Service has in place a number approaches to bridge the funding gap. Year's two to four of the settlement period are subject to the submission and approval of an Efficiency Plan. The content of the Efficiency Plan was considered and approved by the Fire Authority on 19th September 2016 and is due to be submitted to the Home Office by 14th October 2016. Given the potential certainty provided by a four year settlement and the planned approaches to meeting the funding gap the Risk Owner will consider the reduction of the likelihood score from 3 to 2 during the next quarterly review.</p>
Changes to control measures	<p>The Authority continues to manage its budget and accounts in such a way that has enabled for an unqualified financial opinion and value for money conclusion to be provided by the external auditors. This has been confirmed to the Authority and provides a substantial independent assurance as to the quality of the financial management arrangements.</p>
Assurance updates	<p>The work and associated reports of the external auditor provides assurance against a number of controls in place to manage against the realisation of risk on the assurance map.</p> <p>Level 1 assurance has been provided across the majority of the control environment with most controls measures being awarded at substantial (green) rating in terms of their effectiveness in managing risk triggers and are supported by a number of level 3 assurances. No controls were identified as providing limited assurance (red rating) and therefore no immediate interventions were identified as being required.</p> <p>The Risk Owner therefore has provided for a substantial (Green) confidence opinion as to the collective strength of the control environment in managing this particular risk.</p>

Corporate Risk 8.2:

The Fire Authority is unable to deliver effective financial management arrangements, due to misuse of funds, resulting in external scrutiny, intervention and litigation.

Emerging Issues	The risk score is 2 (Likelihood) x 3 (Impact) = 6. The overall risk level is Medium.
Changes to control measures	There is no change to the control measures associated with the effective management of this risk
Assurance updates	<p>The work and associated reports of the Internal Auditor and External Auditor provides assurance against a number of controls in place to manage against the realisation of risk on the assurance map.</p> <p>Level 1 assurance has been provided across the majority of the control environment with most controls measures being awarded at substantial (green) rating in terms of their effectiveness in managing risk triggers and are supported by a number of level 3 assurances. No controls were identified as providing limited assurance (red rating) and therefore no immediate interventions were identified as being required.</p> <p>The Risk Owner therefore has provided for a substantial (Green) confidence opinion as to the collective strength of the control environment in managing this particular risk</p>

Corporate Risk 9 – Business Development

Corporate Risk 9.1:

The Fire Authority is unable to create, grow and sustain appropriate flexible funding opportunities and meet financial targets, through the delivery of these opportunities via the Service Delivery Model. This will result in a budget shortfall impacting upon our ability to maintain the Service Delivery Model and delivery of core services.

Emerging Issues	<p>The overall risk score is 9. The risk continues to be medium. The risk level is likely to reduce over the next quarter when the Business Development (BD) strategy, BD & Prevention organisational frameworks are in place. Further discussions around new services and growth areas have been established.</p> <p>As new services emerge the prevention work that is emerging is an opportunity for either gaining alternative funding or it could also be given away through community safety partnership work. Clarity is required around our approach from SET to new prevention streams.</p>
Changes to control measures	<p>The control measures effectiveness section has been updated to reflect the current position of each measure. These predominantly range between medium and low risk.</p>
Assurance updates	<p>The above merging risk will be discussed at SET to seek clarification which will in turn inform the Business development and Community safety frameworks to ensure appropriate levels of governance, risk management and political awareness.</p> <p>After some challenges to attract the right skills set; the BD team are now established with five people, including one operational placement. This team structure seems optimum to enable the management and delivery of the flexible funding projects across commissioning, social value and commercial activities. A business partner approach will be established by April 2017.</p> <p>Working relations with key internal partners are established and being improved such as with marketing, procurement, finance and prevention.</p> <p>Specific working processes and business development frameworks are being developed in partnership with stakeholders to provide organisational clarity of how to pursue flexible funding opportunities.</p>

Corporate Risk 9.2:

The Fire Authority is unable to meet contractually binding arrangements for the provision of commissioned and/or paid services resulting in litigation; reduced confidence and credibility; and increased reputational damage.

Emerging Issues	The overall risk score is 8. The risk continues to be medium. Whilst the likelihood is low, the impact of this risk is high.
Changes to control measures	The control measures effectiveness section has been updated to reflect the current position some measures.
Assurance updates	<p>The Service is testing business continuity provisions for the urgent non injury falls provision.</p> <p>Contracts are either in place or being put in place for all new services. These include risk management considerations that have been assured by procurement, Sandwell legal and our insurers.</p>

Corporate Risk Assurance Map Summary
Quarter 3 2016/17

	Outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
1.	External (Political and Legislative) Environment	SE Strategic Hub - Karen Gowreesunker					
1.1	Public Service Reform enables new duties and/or major changes to the governance, structure, role or activities of the fire and rescue service requiring major re-organisation, resulting in an inability to deliver against organisational strategy and planned community outcomes.				3	2	6
1.2	The Fire Authority is unable to positively position itself within public service reform to sustain and create new services resulting in reduced confidence, credibility and/or reputational damage.				3	2	6
2.	People	SE People - Sarah Warnes					
2.1	The Fire Authority is unable to maintain positive staff consultation and engagement, resulting in an inability to deliver strategic objectives, outcomes and continuous improvement.				3	3	9
2.2	The Fire Authority is unable to deliver its Service Delivery Model effectively, as a result of insufficient or ineffective employees, throughout the organisation, resulting in reduced confidence and credibility; and increased reputational damage.				2	3	6
2.3	The Fire Authority is unable to meet statutory duties to provide a safe and healthy workplace and protect the environment, resulting in a significant failure and reduced confidence and credibility; and increased criminal proceedings, litigation and reputational damage.				2	3	6

3.	Delivery of Services - Prevention	SE Prevention - Jason Campbell					
3.1	The Fire Authority is unable to engage with the most vulnerable members of the community and reduce community risk resulting in increased fire and non-fire related incidents, fatalities and injuries.				3	2	6
3.2	The Fire Authority is unable to establish effective partnership arrangements and deliver community outcomes, resulting in a significant impact upon the organisation's financial standing, reputation and ability to deliver key objectives.				3	2	6
4.	Outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
4.1	Delivery of Services - Protection	SE Protection - Simon Barry					
4.1.1	The Fire Authority is unable to effectively discharge its duties under the Regulatory Reform (Fire Safety) Order and associated legislation, resulting in a decline in non-domestic fire safety standards; reduced confidence and credibility; and increased litigation and reputational damage.				3	2	6
4.1.2	The Fire Authority is unable to maintain its command and control function, resulting in an inability to receive, process and respond to emergency calls effectively, so increasing community risk; reducing confidence and credibility; and increasing reputational damage.				2	3	6
4.2	Delivery of Services – Response	SE Response - Ben Brook					
4.2.1	The Fire Authority is unable to ensure that operational incidents are dealt with safely, assertively and effectively using appropriate levels of resources and personnel, resulting in increased firefighter and community risk; reduced confidence and credibility; and increased reputational damage.				1	4	4

5.	Business Continuity & Preparedness	SE Organisational Preparedness - Steve Taylor		
	The Fire Authority is unable to provide business continuity arrangements, to maintain delivery of core functions, as a result of extensive disruption to normal working arrangements, including national and international deployments, significant and major events, resulting in increased community risk; reduced confidence; increased reputational damage; and external scrutiny.	3	3	9
6.	Information, Communications and Technology	SE ICT - Jason Danbury		
6.1	The Fire Authority is unable to provide and maintain an effective ICT provision to support the delivery of core functions, resulting in significant disruption to the organisation's functionality, reduced confidence, credibility, reputational damage and external scrutiny.	2	4	8
6.2	The Fire Authority is unable to provide effective management and security of organisational information and documentation including the receipt, storage, sharing and transfer of information and data, resulting in reputational damage, litigation, substantial fines and external scrutiny.	3	3	9

7.	Outcome of Risk Realisation	Risk Owner	Direction of Travel	Overall Confidence	Likelihood	Impact	Risk Score
7.1	Finance & Assets	SE Finance and Resources - Mike Griffiths					
7.1.1	The Fire Authority is unable to deliver its statutory responsibilities, predominantly through the Service Delivery Model, due to insufficient funds, resulting in external scrutiny and intervention; reduced confidence and credibility; and increased reputational damage.				3	3	9
7.1.2	The Fire Authority is unable to deliver effective financial management arrangements, due to misuse of funds, resulting in external scrutiny, intervention and litigation.				2	3	6

8.	Business Development	SE Business Development - Preith Shergill		
8.1	The Fire Authority is unable to create, grow and sustain appropriate flexible funding opportunities and meet financial targets, through the delivery of these opportunities via the Service Delivery Model. This will result in a budget shortfall impacting upon our ability to maintain the Service Delivery Model and delivery of core services.	3	3	9
8.2	The Fire Authority is unable to meet contractually binding arrangements for the provision of commissioned and/or paid services resulting in litigation; reduced confidence and credibility; and increased reputational damage.	2	4	8

Corporate Risk Quarter 3 Position Statement January 2017**Individual Risk Position Statement****Corporate Risk 1 – External (Political and Legislative) Environment****Corporate Risk 1.1:**

Public Sector Reform enables new duties and/or major changes to the governance, structure, role or activities of the fire and rescue service requiring major re-organisation, resulting in an inability to deliver against organisational strategy and planned community outcomes.

Emerging Issues	<p>The overall risk score of 6 (likelihood 3 x Impact 2) and risk rating of 'low' is maintained against this new corporate risk. The likelihood of governance change is quite high however the delivery of core and statutory services and impact on public safety as is provided now is unlikely to change. New duties however may be introduced as legislation around FRS governance and Devolution emerges. Due to the local development of positive external relationships, commissioning, discussions around collaboration, involvement in the Combined Authority and key work streams (in some cases leading these) the impact of change on the delivery of our wider strategy is currently considered to be low.</p> <p>The Future Governance Working Group is providing a key platform for all key stakeholders including central government Home Office (HO) to consider the most appropriate approach to future governance based on the potential for the future delivery of services and Public Sector Reform (PSR).</p>
Changes to control measures	<p>The current Future Governance Working Group added as an additional control measure which instigated 26.7.16.</p> <p>Added the development of a potential future report to the Combined Authority setting out route to a Mayor for WMFS.</p>
Assurance updates	<p>The Risk Owner is confident that the approaches and relationships are in place to enable for the continued positive engagement of key stakeholders in being able to influence the PSR agenda locally and nationally. As this is a new corporate risk and many of the controls have been in place for less than 12 months, confidence in the strength of control measures will be monitored and evaluated as we move forward.</p>

Corporate Risk 1.2:

The Fire Authority is unable to positively position itself within public sector reform to sustain and create new services resulting in reduced confidence, credibility and/or reputational damage.

Emerging Issues	<p>The overall risk score of 6 (likelihood 2 x Impact 3) and risk rating of 'low' is set against this new corporate risk. The Authority and Service has positioned itself successfully at this current time in securing Observer status on the Combined Authority, leading the Multiple Complex Needs work stream and through the CFO taking on the CEO role for PSR.</p> <p>The Authority has also successfully entered new areas of commissioned 'health' work with regards to falls response and hospital discharge, supporting priorities of Local authorities, NHS as well as the Service priorities.</p> <p>Whilst the Future Governance Working Group is considering the most appropriate approach for future governance, as part of this it is also providing a key platform for all key stakeholders to consider the potential for the future delivery of services and PSR.</p>
Changes to control measures	<p>The current Future Governance Working Group added as an additional control measure which instigated 26.7.16.</p> <p>Added the development of a potential future report to the Combined Authority setting out route to a Mayor for WMFS.</p>
Assurance updates	<p>The risk owner is confident that the current controls in place provide sufficient assurance at this point in time.</p> <p>As this is a new corporate risk and many of the controls have been in place for less than 12 months, confidence in the strength of control measures will be monitored and evaluated as we move forward.</p>

Corporate Risk 2 - People

Corporate Risk 2.1:

The Fire Authority is unable to maintain positive staff consultation and engagement, resulting in an inability to deliver strategic objectives, outcomes and continuous improvement.

Emerging Issues	The overall risk score of 9 (likelihood 3 x Impact 3) and risk rating of 'medium' remains. The relationships with the representative bodies remains positive with a local collective agreement in place and agreed until the end of 2017.
Changes to control measures	<p>Consultation</p> <p>Close working relationships with the representative bodies and staff have continued across a range of areas for change to include the review of partnerships officers, NJC trials for Telecare, Fire Control has been continued with ongoing discussions and communications taking place on a regular basis.</p> <p>The attendance of the trade unions at monthly meetings with the strategic enabling team meetings are still taking place. This continues to enhance the ability to have early discussions and seek views to enhance decision making regarding future planning and emerging change programmes within the organisation.</p> <p>Further engagement is planned for the trade unions, managers and business partners to work across stations to assist staff to understand how the employee framework is used to enable joint decision making and the importance of early engagement.</p> <p>Early consultation through the employee framework continues to support a positive working environment and is well represented.</p> <p>Areas for consideration in the next quarter of the year are: discussions and negotiations regarding the Lates arrangements and the potential proposals for training of new entrance. There are no new risk areas that have been identified to date regarding these proposals.</p> <p>Communication and engagement with staff continues through what's happening visits and middle managers webinars and line manager engagement.</p>
Assurance updates	The risk owner remains confident that the frameworks and procedures are in place to maintain positive engagement within the organisation. Based on this assessment the risk score and new areas of potential change identified will remain the same for this quarter.

Corporate Risk 2.2:

The Fire Authority is unable to deliver its Service Delivery Model effectively, as a result of insufficient or ineffective employees, throughout the organisation, resulting in reduced confidence and credibility; and increased reputational damage.

Emerging Issues	The overall risk score is 2 (likelihood) x 3 (impact) = 6 although the risk level remains at Medium.
Changes to control measures	<p>Workforce planning As part of the workforce planning and succession planning strategy, guidance to support managers through the business partners has been provided.</p> <p>The three year staffing strategy continues to provide a strong level of forecasting for the organisation.</p> <p>Recruitment and selection for 63 new entrance for 2017/18 is near to completion. Organisational learning will be taken from this to further enhance our approach to attraction, selection and development strategy.</p> <p>The suite of learning and development standing orders 6/0 have been reviewed and refreshed. In particular the competency risk assessment S/O 6/3 has been reviewed with recommendations going to SET in February 2017 for approval.</p> <p>Work within the next 12 months will continue to ensure intelligence and information is gathered to inform the process in the areas of operational intelligence and skills fade.</p> <p>The implementation plan is progressing well regarding improvements to the assessment criteria and process being applied which will support the application of S/O 6/3.</p> <p>We continue to review our approach to the recruitment and selection framework and progression. This will enable individuals to have an improved understanding regarding progression and development that is based on their natural performance within the workplace, feedback and development.</p> <p>An area of concern has been raised regarding the number of crew commanders posts predicted for 2017/18 (23) against the number of eligible individuals (10). Further work is being conducted with the business partners and service delivery to understand the potential barriers and raising awareness of progression with staff.</p>

	<p>The attendance management targets have not been achieved across both uniformed and non-uniformed staff. There has been an increase in sickness for operational staff which has an impact on staffing. The business partners continue to work with managers to reduce the long term sick and those on restricted duties. There is the continued focus on the ridership factor.</p> <p>Fitness policy has now been implemented from 1st January 2017 – a suitable lead in time of 6 months has been provided for individuals to attain the right fitness levels. We will monitor the potential impact through quarterly performance reviews.</p>
Assurance updates	<p>The Service's Health and Fitness Standing Order has been implemented.</p> <p>The Risk Owner has ensured that control owners have provided assurance for the controls and in particular is focusing on attendance management and the ridership factor.</p>

Corporate Risk 2.3:

The Fire Authority is unable to meet statutory duties to provide a safe and healthy workplace and protect the environment, resulting in a significant failure and reduced confidence and credibility; and increased criminal proceedings, litigation and reputational damage.

Emerging Issues	Overall score remains likelihood 2 (likelihood) x 3 (impact) = 6 amber. Although the SHE is performing well the focus will continue on two type of injuries – slip trips and falls and manual handling.
Changes to control measures	There are no changes to the control measures. The Safety Health and Wellbeing team continue to provide a collaborative and co-ordinated approach to delivering messages across the organisation.
Assurance updates	<p>There continues to be good performance around key health, safety and environment performance indicators.</p> <p>Further assurance will be provided through the appointment of the clinical governance director Andy Thurgood and the formation of the clinical governance working group – this will operate at both a strategic and operational (implementation level). The first meeting took place on 19 January 2017.</p> <p>A review has been carried out regarding the ongoing support and Wellbeing of crews attending Telecare, Falls response – a number of recommendations have been identified and will be developed and implemented with staff in the next 6 months. This will ensure we are fulfilling our statutory obligations to our staff in introducing this new role in to the service delivery model.</p> <p>Review of Safety, Health and Wellbeing performance across the organisation remains positive and continues to be a focus. This enables the organisation to provide a high level of confidence as to the overall collective strength of the control environment.</p>

Corporate Risk 3 – Delivery of Services - Prevention

Corporate Risk 3.1:

The Fire Authority is unable to engage with the most vulnerable members of the community and reduce community risk resulting in increased fire and non-fire related incidents, fatalities and injuries.

Emerging Issues	<p>The risk score associated with this risk remains unchanged.</p> <p>A central Community Safety (CS) team is now in place and is currently identifying suitable working practices to positively impact on the recognised corporate risk around partnerships. The Partnerships Team now has interim arrangements in place with Commands to support, upskill and enable personnel to work in partnership supported by appropriate governance arrangements. This work began on 3rd January following a briefing note to and engagement with Operations Commanders in December.</p> <p>The team's objectives will address existing partnerships arrangements to ensure that appropriate governance, monitoring and review is in place and that the governance recommendations from scrutiny were implemented.</p> <p>SO 22/2 will be withdrawn as CS moves towards an overarching prevention standing order supported by guidance and toolkits.</p>
Changes to control measures	<p>Currently there is no change to the control measures for managing corporate risk. It is predicted that the changes to the Partnerships team in headquarters will see benefits with a clear direction of travel seeing a reduction in the score rating for this corporate risk.</p>
Assurance updates	<p>The Scrutiny Committee report provides for a level 3 independent assurance of the control environment and this is reflected on the assurance map.</p>

Corporate Risk 3.2:

The Fire Authority is unable to establish effective partnership arrangements and deliver community outcomes, resulting in a significant impact upon the organisation's financial standing, reputation and ability to deliver key objectives.

Emerging Issues	<p>The risk score associated with this risk remains unchanged.</p> <p>CS restructure is complete. The Partnerships Team have created a 'draft' Partnerships Governance Framework that is now out for consultation with Commands. Work has also begun to consult with Business Teams and Fire Safety. As part of and as a result of the consultation, the Partnerships Team is creating a Governance Framework Toolkit. The consultation is not about the 'Framework' it is about how the guidance and toolkit is presented, language etc – how it works for those using it. The framework content has been designed to meet 'Internal Audit' requirements.</p> <p>The Partnerships team is creating a risk register which will identify 'common' risk inherent across partnerships activity which will be reviewed, updated and rescored as part of the quarterly quality assurance processes already scheduled. Partnership owners through the governance arrangements will be expected to identify and mitigate individual risk associated with each individual partnership and this expectation has been set within the governance framework.</p> <p>Partnerships have been defined and governance requirements will be proportionate to the 'type' of partnership.</p> <p>The Governance arrangements created and the Quality Assurance (QA) undertaken by the Partnerships team at the end of each quarter will focus on two outcomes:-</p> <p>Each partnership agreement has clearly defined roles and responsibilities and strong governance arrangements in place Effective partnership monitoring arrangements are in operation</p> <p>The QA process will mirror that of the Sandwell internal audit process and will use the same testing strategy for each of the two outcomes. The QA schedule has already been diarised and feedback to partnership owners is included.</p> <p>There is work to do on the database as individuals across Commands do not always use it appropriately. The Partnerships Team has a detailed understanding of the partnerships arrangements listed on the database and are now working with Commands to clean up the database and ensure that all of the necessary governance arrangements are in place for existing partnership activity.</p>
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	All of the work is being planned and implemented ahead of an Internal Audit by Sandwell which will be scheduled to take place before the end of quarter 2.
Changes to control measures	Currently there is no change to the control measures for managing corporate risk. It is predicted that the changes to the Partnerships team in Headquarters will see benefits with a clear direction of travel seeing a reduction in the score rating for this corporate risk.
Assurance updates	The Scrutiny Committee report provides for a level 3 independent assurance of the control environment and this is reflected on the assurance map.

Corporate Risk 4 – Delivery of Services – Protection

Corporate Risk 4.1:

The Fire Authority is unable to effectively discharge its duties under the Regulatory Reform (Fire Safety) Order and associated legislation, resulting in a decline in non-domestic fire safety standards; reduced confidence and credibility; and increased litigation and reputational damage.

Emerging Issues	The organisational assurance team are due to publish a report on the effectiveness of our current risk-based inspection programme ILAP imminently. This feedback, alongside current understanding of areas for development, will be utilised to enhance our effectiveness. The overall risk score remains at 6 as a result of the known issues with programme ILAP and the fact that development work continues in relation to its replacement.
Changes to control measures	Protection continue to utilise the Command Risk Profiles produced through the Integrated Risk Management (IRM) team as a control measure whilst ILAP is being developed. In the last quarter, there have been some changes to the reporting and evaluation process in relation to the effectiveness of these risk profiles.
Assurance updates	Level 1 – assurance is provided by the control owner and is verified by the risk owner.

Corporate Risk 4.2:

The Fire Authority is unable to maintain its command and control function, resulting in an inability to receive, process and respond to emergency calls effectively, so increasing community risk; reducing confidence and credibility; and increasing reputational damage.

Emerging Issues	<p>Fire Control is now operating at full establishment as a result of the recently completed Shared Fire Control review. Continual monitoring of the new staffing model takes place to ensure its effectiveness; at this time any risk around staffing levels is being managed appropriately through revised resilience arrangements.</p> <p>The Operational Peer Assessment team recently identified in their draft report that fall back arrangements could be enhanced and this will be a focus of an upcoming review into Fire Control's Business Continuity arrangements that has now begun and is anticipated to be completed within 3 months.</p> <p>An additional area of risk is the introduction and implementation of Vision 4. The current system provides a reliable and resilient command and control mobilising system but without the introduction of Vision 4 we are unable to introduce some organisational improvements such as pre-alert and therefore progress will be monitored closely.</p> <p>An additional focus and scrutiny is ensured through quarterly Fire Control Governance Board.</p>
Changes to control measures	<p>There is no change to the control measures associated with the effective management of this risk.</p>
Assurance updates	<p>Level 2 assurance is provided through the Fire Control Governance Board which is responsible for strategic direction and decision making.</p>

Corporate Risk 5 – Delivery of Services - Response

Corporate Risk 5.1:

The Fire Authority is unable to ensure that operational incidents are dealt with safely, assertively and effectively using appropriate levels of resources and personnel, resulting in increased firefighter and community risk; reduced confidence and credibility; and increased reputational damage.

Emerging Issues	<ul style="list-style-type: none"> • The collective Agreement has now been agreed until the 31st December 2017. • The Financial cost of VAS still remains higher than anticipated but fleet availability is high. Arrangements are now in place to look at finance control measures whilst supporting fleet availability. • The Competency Risk Assessment is currently being reviewed and has a specific action plan • The new SSRI PORIS compliance schedule of audit and ICT workbook is currently being embedded • There is some evidence to suggest that individuals are less likely to look to promotion due to their ability to increase their salary through the use of voluntary additional shifts.
Changes to control measures	<p>The likelihood score remains at 1 and the impact at 4. This is due to the trade dispute being lifted and the collective agreement being in place in relation to staffing. 1 (likelihood) x 4 (impact) = 5</p> <p>In meeting the current funding challenge the Service is has implemented two contributing mechanisms (bank shifts have now come to an end due to the naturally reducing staffing levels down to 1168) to sustain the Service's Delivery Model against a reducing establishment. These are</p> <ul style="list-style-type: none"> • Integrated Resilience • Voluntary Additional Shifts. <p>These are reflected as controls on the assurance map. It should be noted that the use of VAS is currently high and this will have an impact on our forecasted budget spend in relation to staffing.</p> <p>In order to enable a consistent and appropriate approach to the management of risk appertaining to the implementation of the requirements of Emergency Services Mobile Communications Programme (ESMCP) a single nationally agreed approach to the management of risk has been agreed and a single risk register has been developed. This approach will enable FRS' to locally identify, manage and monitor risks associated with the implementation of ESMCP upon their own FRS whilst also providing a framework to identify, communicate and develop national good practice for managing the shared risks associated with this programme. This approach provides assurance to SET,</p>

	Members, Stakeholders and DCLG alike that FRS' has in place the appropriate infrastructures, frameworks, networks and processes for the timely and risk managed delivery of this programme.
Assurance updates	Gaps have been identified in relation to our Competency Risk Assessment (CRA) and the activity roles and frequencies in relation to core skills. An action plan is in place to address any issues and the CRA for next year is currently being developed.

Corporate Risk 6 – Business Continuity & Preparedness

Corporate Risk 6.1:

The Fire Authority is unable to provide business continuity arrangements, to maintain delivery of core functions, as a result of extensive disruption to normal working arrangements, including national and international deployments, significant and major events, resulting in increased community risk; reduced confidence; increased reputational damage; and external scrutiny.

Emerging Issues	<p>The potential for emerging issues relating to a potential Pandemic Influenza Risk when associated with a reduced Operational Establishment remains</p> <p>Accuracy of organisational Policies and Procedures as a consequence of organisational restructures.</p>
Changes to control measures	<p>Overall risk score remains likelihood 3 (likelihood) x 3 (impact) = 9 medium.</p> <p>Pandemic Flu The West Midlands Conurbation Local Resilience Forum has assessed the likelihood of the Pandemic Influenza risk being realised as being medium. This is based on predictor modelling showing that a Pandemic scenario is likely to occur approximately every 11-39 years. To support this historical data shows 4 recorded pandemics of influenza in the past 100 years.</p> <p>Based on understanding of previous pandemics, occurrence is likely in one or more waves possibly weeks and months apart. Each wave may last between 12-15 weeks. Up to half the population could be affected. In the WMC this represents an approximate figure of 6,000 deaths assumed. Business and social economy will be affected by large number of staff absences anticipated to be in the range of 30 – 50%.</p> <p>As we now run a much leaner service, relying on resilience shifts from non-operational personnel and voluntary additional shifts, if a pandemic Influenza scenario were realised, there may be a potential of reduced availability to support high levels of staff absenteeism.</p> <p>Policies and Procedures The ongoing reduction in central funding along with the Service's continued commitment to deliver excellence through The Plan has required significant change to organisational structure. The introduction and subsequent review of the Strategic Enabling Team (SET) necessitated organisational re-alignment of</p>

	<p>structures, functionality and reporting lines at all levels throughout the organisation.</p> <p>As a consequence of this change it has become necessary to review, identify and confirm Strategic Enabler responsibility for organisational policies (Standing Orders, Operational Procedure Notes and Technical Information Notes for example). Accurate and contemporary policies are critical to setting out the key principles and guidance to enable for the safe, assertive and effective delivery of services and activity at all levels of the organisation. Policies are also a core component for the effective management of corporate risk.</p>
Assurance updates	<p>Pandemic Flu</p> <p>Our contingency arrangements relay on using our own operational staff to cover these shortfalls, and where this has been successful in the past to cover periods of Industrial action, due to the reduction in the establishment, it needs to be recognised that it may be more difficult to provide the same level of cover as we have done previously. It also should be noted that in a pandemic scenario, the impacts are likely to be nationwide so seeking assistance from external parties may not be a realistic option. It is also acknowledged that any increase in the use of voluntary additional shifts will have an additional financial impact that could be accommodated through organisational funding reserves. In balancing the financial impact of the use of a significant number of additional voluntary shifts or in the event there is limited staff available to undertake voluntary additional shifts application of the dynamic cover tool will support decision making to ensure that any reduction in available resources will be located in the optimum locations to limit the risk to our communities.</p> <p>Policies and Procedures</p> <p>All Standing Orders and Operational Procedure Notes (OPN's) are currently being reviewed. Using a collaborative approach the Policy Team, working with SET, have identified on the basis of risk, a planned approach to the systematic review and update of all policies. This planned and prioritised approach will enable for all policies to be updated in a timely manner. This will ensure that, upon completion, all policies fall within the three year review cycle expectation of the organisation. Legal advice has been sought relating to the approach being instigated and is seen as an acceptable methodology and was noted that a means for evidencing progress should be encouraged. Progress will be reported to SET to ensure a positive direction of travel.</p> <p>In terms of safety to firefighters and the community OPNs are our most risk critical policies. There are some references to roles and responsibilities that are out of date in the OPN. However, as part</p>

	of the ongoing approach to introducing sector National Operational Guidance (NOG), OPN have continued to be update and as such risk critical information remains up to date. However, because of the importance of these documents, OPN will be included in the overall review of policies.
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Corporate Risk 7 – Information, Communications and Technology

Corporate Risk 7.1:

The Fire Authority is unable to provide and maintain an effective ICT provision to support the delivery of core functions, resulting in significant disruption to the organisation's functionality, reduced confidence, credibility, reputational damage and external scrutiny.

Emerging Issues	<p>The overall risk score is 8. The risk continues to be medium. The risk level is likely to reduce over the next quarter as the implementation of Office 365 continues. Third party consultation is being used to expedite the project.</p> <p>This suite of products will enable secure accessibility to ICT functionality from a wider range of devices and locations including ones not provided by the organisation. The majority of organisational data will be held in cloud storage thus reducing the reliance on in-house processes, procedures and infrastructure to access and maintain data. This project is in its early stages and will not impact the risk level until more of the outcomes are delivered. To date headquarters and middle managers have had their e-mail migrated to the cloud.</p> <p>Transfer of organisational responsibility from Department of Communities and Local Government to the Home office may change information security requirements but these are still unconfirmed.</p>
Changes to control measures	<p>The planned implementation of Office 365 reduces the impact significantly of the loss of an on-premises data centre.</p> <p>Work is ongoing to establish accreditation for Code of Connection (CoCo) to the Emergency Services Network (ESN) and the Public Services Network (PSN).</p>
Assurance updates	<p>The overall risk confidence opinion is amber.</p>

Corporate Risk 7.2:

The Fire Authority is unable to provide effective management and security of organisational information and documentation including the receipt, storage, sharing and transfer of information and data, resulting in reputational damage, litigation, substantial fines and external scrutiny.

Emerging Issues	The overall risk score is 9. The risk continues to be medium. The risk level is likely to reduce over the next quarter when the Management of Information Framework is implemented.
Changes to control measures	<p>Consultation has concluded in relation to the Management of Information Framework. This framework will be supported by appropriate guidance and awareness for all employees. The framework will improve the way that information is managed within the organisation throughout its lifecycle.</p> <p>Training and Development have been provided to the Strategic Enabling Team (SET) as Information Asset Owners to ensure that they can undertake their role excellently using a risk based approach to information security.</p>
Assurance updates	The overall risk confidence opinion is amber.

Corporate Risk 8 – Finance & Assets

Corporate Risk 8.1:

The Fire Authority is unable to deliver its statutory responsibilities, predominantly through the Service Delivery Model, due to insufficient funds, resulting in external scrutiny and intervention; reduced confidence and credibility; and increased reputational damage.

Emerging Issues	<p>The risk score remains at 3 (Likelihood) x 3 (Impact) = 9. The overall risk level is Medium.</p> <p>In February 2016, The Government communicated the Authority's Core Funding settlement. In setting out a provisional 4 year settlement, confirmation was received that the core funding reduction would be circa £10 Million by 2019/20. Whilst this reduction is less than was forecast, it still presents a significant challenge to the Service in terms of setting a balanced budget. In planning for significant funding reductions, the Service has in place a number approaches to bridge the funding gap. Year's two to four of the settlement period are subject to the submission and approval of an Efficiency Plan. The content of the Efficiency Plan was considered and approved by the Fire Authority on 19th September 2016 was submitted to the Home Office by 14th October 2016. The provisional Finance settlement for the period 2017/18 to 2019/20 was received in December 2016 and was broadly in line with the figures used as the basis for the Efficiency Statement. However, given the ongoing changes to the staffing arrangements which have not been fully embedded (£4 million of the Efficiency Plan) combined with the commissioning target of £2 million as part of the Efficiency Plan, which has not been fully achieved at this stage, the Risk Owner considers the likelihood score of 3 should remain unchanged at this stage.</p>
Changes to control measures	<p>The Authority continues to manage its budget and accounts in such a way that has enabled for an unqualified financial opinion and value for money conclusion to be provided by the external auditors. This has been confirmed to the Authority and provides a substantial independent assurance as to the quality of the financial management arrangements.</p>
Assurance updates	<p>The work and associated reports of the external auditor provides assurance against a number of controls in place to manage against the realisation of risk on the assurance map.</p> <p>Level 1 assurance has been provided across the majority of the control environment with most controls measures being awarded at substantial (green) rating in terms of their effectiveness in managing risk triggers and are supported by a number of level 3 assurances. No controls were identified as providing limited assurance (red rating) and therefore no immediate interventions were identified as being required.</p>

	The Risk Owner therefore has provided for a substantial (Green) confidence opinion as to the collective strength of the control environment in managing this particular risk.
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Corporate Risk 8.2:

The Fire Authority is unable to deliver effective financial management arrangements, due to misuse of funds, resulting in external scrutiny, intervention and litigation.

Emerging Issues	The risk score is 2 (Likelihood) x 3 (Impact) = 6. The overall risk level is Medium.
Changes to control measures	There is no change to the control measures associated with the effective management of this risk
Assurance updates	<p>The work and associated reports of the Internal Auditor and External Auditor provides assurance against a number of controls in place to manage against the realisation of risk on the assurance map.</p> <p>Level 1 assurance has been provided across the majority of the control environment with most controls measures being awarded at substantial (green) rating in terms of their effectiveness in managing risk triggers and are supported by a number of level 3 assurances. No controls were identified as providing limited assurance (red rating) and therefore no immediate interventions were identified as being required.</p> <p>The Risk Owner therefore has provided for a substantial (Green) confidence opinion as to the collective strength of the control environment in managing this particular risk</p>

Corporate Risk 9 – Business Development

Corporate Risk 9.1:

The Fire Authority is unable to create, grow and sustain appropriate flexible funding opportunities and meet financial targets, through the delivery of these opportunities via the Service Delivery Model. This will result in a budget shortfall impacting upon our ability to maintain the Service Delivery Model and delivery of core services.

Emerging Issues	<p>The overall risk score is 9. The risk continues to be medium. The risk level is likely to reduce over the next quarter when the Business Development (BD) strategy, BD & Prevention organisational frameworks are in place. Further discussions around new services and growth areas have been established.</p> <p>As new services emerge the prevention work that is emerging is an opportunity for either gaining alternative funding or it could also be given away through community safety partnership work. Clarity is required around our approach from SET to new prevention streams.</p>
Changes to control measures	<p>The control measures effectiveness section has been updated to reflect the current position of each measure. These predominantly range between medium and low risk.</p>
Assurance updates	<p>The above merging risk will be discussed at SET to seek clarification which will in turn inform the BD and Community safety frameworks to ensure appropriate levels of governance, risk management and political awareness.</p> <p>After some challenges to attract the right skills set; the BD team are now established with five people, including one operational placement. This team structure seems optimum to enable the management and delivery of the flexible funding projects across commissioning, social value and commercial activities. A business partner approach will be established by April 2017.</p> <p>Working relations with key internal partners are established and being improved such as with marketing, procurement, finance and prevention. Specific working processes and business development frameworks are being developed in partnership with stakeholders to provide organisational clarity of how to pursue flexible funding opportunities.</p>
Emerging Issues	<p>The overall risk score is 9. The risk continues to be medium. The risk level is likely to reduce over the next quarter when the BD strategy, BD & Prevention organisational frameworks are in place. Further discussions around new services and growth areas have been established.</p>

	<p>As new services emerge the prevention work that is emerging is an opportunity for either gaining alternative funding or it could also be given away through community safety partnership work. Clarity is required around our approach from SET to new prevention streams.</p>
Changes to control measures	<p>The control measures effectiveness section has been updated to reflect the current position of each measure. These predominantly range between medium and low risk.</p>
Assurance updates	<p>The above merging risk will be discussed at SET to seek clarification which will in turn inform the Business development and Community safety frameworks to ensure appropriate levels of governance, risk management and political awareness.</p> <p>After some challenges to attract the right skills set; the BD team are now established with five people, including one operational placement. This team structure seems optimum to enable the management and delivery of the flexible funding projects across commissioning, social value and commercial activities. A business partner approach will be established by April 2017.</p> <p>Working relations with key internal partners are established and being improved such as with marketing, procurement, finance and prevention.</p> <p>Specific working processes and business development frameworks are being developed in partnership with stakeholders to provide organisational clarity of how to pursue flexible funding opportunities.</p>

Corporate Risk 9.2:

The Fire Authority is unable to meet contractually binding arrangements for the provision of commissioned and/or paid services resulting in litigation; reduced confidence and credibility; and increased reputational damage.

Emerging Issues	The overall risk score is 8. The risk continues to be medium. Whilst the likelihood is low, the impact of this risk is high.
Changes to control measures	The control measures effectiveness section has been updated to reflect the current position some measures.
Assurance updates	<p>The Service is testing business continuity provisions for the urgent non injury falls provision.</p> <p>Contracts are either in place or being put in place for all new services. These include risk management considerations that have been assured by procurement, Sandwell legal and our insurers.</p>