

Appendix 2

Corporate Risk Amendments October 2014

Position Statement

Risk 1- The Fire Authority would be unable to maintain the positive engagement of employees resulting in an inability to deliver its key priorities and objectives

Emerging Issues	<p>The Risk Owner has determined that with the continued uncertainty over industrial action that the likelihood score (potential for risk realisation) should be maintained at a level of 4 as the risk of further action is still high, until agreement between the Government and FBU is reached. Therefore the risk rating remains high generating an overall Risk Score of likelihood 4 x impact 3 = 12.</p> <p>The Risk Owner has been amended to reflect the outcomes of the Principal Management review and the creation of the Strategic Enabling Team (SET). The Risk Owner is the Strategic Enabler for People.</p>
Changes to control measures	<p>Following completion of the Employee Opinion Survey (EOS) the results have been made available to all employees. Engagement with staff regarding EOS findings will continue through a number of sessions (40+) headed by the CFO and DCFO from May through to October after which the key themes and messages arising from the visits will be identified and appropriate action be taken.</p> <p>The Corporate Risk representative from Principal Officer Support Team, will work with the resourcing manager within the next ¼ to ensure that all key controls remain up to date and relevant.</p>
Assurance Updates	<p>The level of assurance provided by control owners against this particular risk is high, with the assurances being green and provided within the last 12 months. Although a number of assurances require updating.</p> <p>The Risk Owner is assured that the collective control environment is strong and effective. This is reflected in the 'substantial (green) 'confidence opinion' which is shown on the Corporate Risk Assurance Map Summary.</p>

Risk 2 – The Fire Authority would be unable to maintain an effective ICT provision (excluding mobilising and communications), resulting in significant disruption to the organisation's ICT functionality

Emerging Issues	The overall risk score is unchanged at 9. The risk level remains at medium.
Changes to control measures	Due to other work pressures implementation of the following Control Measures have been delayed, specifically, Data Centre split, ICT Security strategy and Business Continuity Plan work. A small number of additional controls require updating to reflect their current true position. A small number of Control Owners require updating to reflect current ownership.

Assurance updates	Level 1 assurance has been provided by Control Owners throughout the risk environment however some assurances require updating. The overall risk confidence opinion is amber.
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Emerging Issues	<p>Industrial action continues</p> <p>DCFO as the designated Risk Owner for this risk has determined that the likelihood score (potential for risk realisation) should remain at 4. Therefore the risk score remains at likelihood 4 x impact 3= 12. This professional judgement has been made on the basis that there is yet to be a resolution in the Trades dispute between the Fire Brigades' Union and the Government.</p> <p>The risks associated with HS2 and maintaining business continuity within Fire Control are set out in Corporate Risk 11, which details the potential disruption to normal working methods as a result of this construction work (Inappropriate working environment leading to evacuation to secondary fire control that cannot provide functionality beyond 48 hours).</p>
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Risk 4 – The Fire Authority would be unable to ensure that proper controls are established whilst working in partnership with other agencies/groups, resulting in a significant impact upon the organisation's financial standing, reputation and ability to deliver key objectives.

Emerging Issues	The overall risk score remains at 2 (Likelihood) x 2 (Impact) = 4
Changes to control measures	<p>The assurance map has been amended to recognise the Services commitment to safeguarding vulnerable people. Training is to be provided to all personnel to raise awareness and enhance the effective management of partnerships.</p> <p>A cross functional group has been commissioned to review the partnership strategy and toolkit as part of this work the requirement to provide an SLA /ToR for all partnerships and to identify and manage ongoing risks within partnerships. This is reflected on the assurance map as an additional control. The Head of Community Safety is currently considering whether this work is required, as it maybe that the Service's recent re-structure which provides localised specialist partnership officers is more appropriate to supporting the effective governance, management and delivery of effective</p>
Assurance updates	Level 1 assurance has been provided for the majority of controls within the risk environment with the majority providing substantial assurance. As set out above, the embedding of the new partnerships structure and acquisition of skills has enabled the Risk owner to provide for a substantial (green) confidence opinion as to the strength of the overall risk control environment.

Changes to control measures	A number of periods of industrial action have taken place and the contingency arrangements that have been put in place. Whilst the resources available during industrial action have caused the Service to become stretched in delivering its agreed response service to the community. To date the Service has been able to meet its emergency response requirements during the industrial action.
Assurance Updates	Level 1 assurance has been provided for some of the controls within the risk environment. Given the current level of uncertainty surrounding continued industrial action, allied to the continued uncertainty as to how the Service would provide effective response cover should a significant incident occur during these periods the Risk Owner has awarded a satisfactory (amber) confidence opinion as to the strength of the control arrangements currently in place to manage risk realisation. An independent Level 3 internal audit has provided substantial assurance of the Service's risk management arrangements in this area.

Risk 5 – The Fire Authority would be unable to deliver the core objectives of preventing, protecting and responding effectively as a result of extensive disruption to normal working methods.

Risk 6- The Fire Authority would be unable to ensure that operational incidents are dealt with safely and effectively, using appropriate levels of resource and personnel.

Emerging Issues	<p>The overall risk Score remains at 2 (likelihood) x 4 (impact) = 8 and the risk remains at Medium.</p> <p>Following a sample audit of around 2,500 of the Service's 43000 water hydrants, it was discovered that around 9% of the sample could not provide water. A number of other maintenance/ low level repair issues were also discovered. It is felt that the primary reason for this failure is as a result of moving away from stations testing hydrants about 10 years ago.</p> <p>Currently an approach to resolving this issue is being considered by SET and will take into account the risk posed by a perceived total failure rate of 10%, against the demand for hydrants (how often are augmented supplies required) against the level of resilience provided by the current amount of hydrants in the West Mids, which exceed the general hydrant standards set out by guidance. SET are currently considering the appropriate action.</p>
Changes to control measures.	<p>Work is continuing to implement and embed the Service's improved Site Risk Survey (SRS) arrangements (site specific risk information SSRI). SSRI is intended to ensure that risk assessed informed decisions can be made pre- incident and at the incident ground, through the provision of relevant, timely and accurate information, ensuring safe and effective firefighters and operations.</p> <p>As a consequence of joint working with Staffs FRS, new mobilising protocols mean that WMFS is providing a response further into Staffordshire than previously. In order to provide crews with appropriate information an interim SSRI folder is to be rolled out to affected stations. An IT fix is currently being sought.</p>

	<p>A control has been added to reflect work ongoing in respect of CFOA national collaboration project in respect of standardising operational procedures. This work designed to provide clarity and consistency regarding procedures may impact upon the Service in terms of the requirement to change the way it deals with some aspects of operations activity as well as the potential to buy new equipment. As a consequence of this there may be a requirement to change learning, development and training to enable the acquisition of appropriate skills and knowledge.</p> <p>Our involvement in the National Operational Guidance programme will ensure that we are well positioned to influence and guide this initiative to introduce a more common approach to operational response and procedures- promoting shared understanding and interoperability.</p> <p>An addition has been made to reflect the risk posed by the Emergency Services Mobile Communications Programme- primarily around funding for the programme. However a control has been put in place and reflects that Officers are closely involved both regionally and nationally in the development of the ESMCP programme and influence is being brought to Government level in relation to the uncertainties that exist</p> <p>The Service is moving towards a distributed, localised training model – whereby local, fit for purpose training facilities will be developed at local fire stations. The sites and the types of chosen have been informed by our strategic risk analysis. This more localised approach will enable the service to maintain its resources to its risk and more effectively support our vision of Making West Midlands safer. In establishing this approach the transition from the Academy centred training approach to a local approach will be monitored to ensure a timely handover.</p>
Assurance Updates	<p>Level 1 assurance has been provided across the risk environment. However, the Risk Owner has awarded an overall Satisfactory (amber) confidence opinion as to the collective strength of the controls in preventing or reducing risk realisation. This judgement has been informed by the independent limited (red) assurance awarded in respect of SRS. A project to improve SRS arrangements is due to be completed by August 2014. Subject to the new arrangements becoming embedded and the Risk Owner being assured as to their effectiveness, the Risk Owner will consider the effectiveness opinion of SRS as a preventative control measure. This will provide the opportunity for the Risk Owner to consider his confidence opinion of the overall control environment.</p>

Risk 7 – The Fire Authority would be unable to deliver the core objectives of preventing, protecting and responding effectively as a result of insufficient or ineffective key assets, such as buildings and vehicles.

Emerging Issues	<p>The overall risk score remains unchanged at 2(likelihood) x 3 (impact) = 6. The risk level remains at Medium. The Risk Owner has determined that this score is appropriate.</p> <p>Following discussions with representatives from HS2 regarding the proposed route and its potential impact upon FSHQ and the immediate surrounding area, the Service is assured that upon completion of the works there will be no significant impact upon the day to day effectiveness of HQ, Fire Control and Safeside</p>
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	<p>The Service had previously submitted two bids for transformational funding available from central government, in respect of building work which will enable for greater blue light collaboration; and/or greater community prevention/protection outcomes. However, we were not successful in attracting funding to support our bid. This will not adversely impact upon the Service's Asset Management Plan, where appropriate planned budgetary provision had already been allocated and approved by Members at Authority in February 2014.</p>
Changes to control measures	<p>Some relatively minor updates have been made to the assurance map. However, this is a well managed risk with a strong control environment.</p> <p>An addition has been made to reflect the move to improve security arrangements as the Service moves towards an electronic swipe card system. This will replace the yellow disk keys and provide a better system of control, strengthening the security arrangements at all fire service locations</p>
Assurance Updates	<p>Level 1 assurance has been provided across the range of control measures. The level 1 control environment provides for substantial assurance (green rating) across the majority of controls. No controls were identified as providing limited assurance (red rating) and therefore no immediate interventions were identified as being required. This has enabled for the Risk Owner to provide a Substantial (green) confidence opinion and this is reflected on the Corporate Risk Assurance Map summary.</p>

Risk 8 – The Fire Authority would be unable to deliver the core objectives of preventing, protecting and responding effectively due to a lack of funding or the misuse of funds e.g. fraudulent activity.

Emerging Issues	<p>The risk score remains at 3 (Likelihood) x 3 (Impact) = 9. The overall risk level is Medium.</p> <p>Whilst the Authority still manages its budget and accounts in such a way that provides for an unqualified financial opinion and recognition through the value for money conclusion, the external auditors have recognised the continued challenge presented by the Government funding cuts agenda. To date the Authority has managed to maintain and improve its delivery mode and balance its budget despite a £21M (26%) cut in funding. It is likely that the Service central funding will be cut by around £14M over the next 3 years. This means the Service will have to continue to and challenge the it's whole business model and structure in order to maintain its commitment to the community set out in its Plan to deliver a risk based 5 minute attendance standard for its most serious emergencies.</p> <p>Given that the level of central funding is fundamental in enabling the effective delivery of Service's core objectives the Risk Owner has determined that the likelihood risk score of 3 defined as 'High 25%-50% or likely to occur within two years' is still appropriate. In terms of funding reductions for 2016/17 and 2017/18 the Service will continue to explore a number of avenues in order to balance its budget. As part of this, a referendum may be considered and this has been reflected on the assurance map.</p>
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Changes to control measures	The control environment remains strong and is supported by independent assurance provided by both external and internal auditors. Both the external and internal audit programmes have provided independent evidence that the Service still continues to provide value for money (The Value for Money conclusion) and provides an unqualified opinion of the Authority's accounts, supported by effective governance arrangements as detailed in the annual governance statement. This has enabled for a number of control measures to be independently updated.
Assurance updates	<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>

Risk 9 – The Fire Authority would be unable to deliver the core objectives of preventing, protecting and responding effectively as a result of insufficient or ineffective employees.

Emerging Issues	<p>The overall risk score is 2 (likelihood) x 3 (impact) = 6 although the risk level remains at Medium. This means that it is likely to occur within a period of 2-5 years (10-24% chance).</p> <p>The Risk Owner has been amended to reflect the outcomes of the Principal Management review and the creation of the Strategic Enabling Team (SET). The Risk Owner is the Strategic Enabler for People.</p>
Changes to control measures	<p>The Service has introduced its progression model for both green and grey book employees</p> <p>A number of controls are currently being updated in line with the 3 year review cycle for Standing Orders this will strengthen the control environment in the next quarter.</p>
Assurance updates	<p>The Risk Owner has ensured that control owners have provided assurance for the controls for this particular risk. This proactive approach has strengthened the control environment and level 1 assurance has been provided across the control environment. To date no limited assurances (red ratings) have been identified and as such no immediate interventions are required.</p> <p>The Risk Owner has provided a high (green) confidence opinion as to the effectiveness of the control environment in managing this risk.</p>

Risk 10- The Fire Authority would be unable to manage its responsibilities under the Regulatory Reform (Fire Safety) Order and associated legislation, resulting in a decline in non domestic fire safety standards or legal action being taken against the Authority.

Emerging issues	<p>The risk score using the likelihood x impact matrix is 2 (likelihood) x 2 (Impact) generating an overall risk score of 4 which is unchanged from the previous quarter.</p> <p>Work is ongoing to understand and deliver better integration and new ways of working will enable for a more efficient and effective service delivery function across protection, prevention and response that supports the achievement of the vision in The Plan of making West Midlands safer.</p> <p>The Intelligence Led Audit Programme which is enabled by location independent working is now fully embedded. An evaluation of this is being undertaken by the Area Commander Protection to determine whether the intended outcomes are being delivered.</p> <p>Similarly policies and procedures are being reviewed to ensure they support closer and more integrated working arrangements within Service Delivery as set out in the risk reduction strategy.</p> <p>The establishment has been revised from 66 to 64.</p> <p>The current score is still valid.</p>
Changes to control measures	<p>There are no changes to or additional control measures required. However, the responsibility for number of controls has been amended to reflect the Service's structural arrangements, roles and responsibilities.</p>
Assurance updates	<p>Level 1 assurance has been updated and provided across the range of control measures. The level 1 control environment provides for substantial assurance (green rating) across the majority of controls. No controls were identified as providing limited assurance (red rating) and therefore no immediate interventions were identified as being required. This has enabled for the Risk Owner to provide a Substantial (green) confidence opinion and this is reflected on the Corporate Risk Assurance Map summary.</p>

Risk 11 – The Fire Authority would be unable to maintain its command and control function, resulting in an inability to receive process and respond to emergency calls effectively.

Emerging Issues	<p>The overall risk score remains at 2(likelihood) x 4(Impact) = 8.</p> <p>The Service is currently in ongoing discussion with representatives from HS2 regarding the proposed route and its potential impact upon FSHQ and the immediate surrounding area. A paper on this matter was submitted to Executive Committee on 20 January 2014. The Service continues to monitor this matter.</p> <p>A phased evacuation has been undertaken in this ¼. No significant issues arose as a result of this and substantial assurance of our arrangements was given.</p>
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Changes to control measures	<p>The assurance map has been amended to reflect that HS2 does potentially have the impact to adversely affect the delivery of Fire Control's core activity of control.</p> <p>The requirement to meet the Emergency Services Communication Programme standard has been reflected on the log. This is a national project to standardise emergency services communication. As a result of the joint control arrangements with Staffordshire, work is ongoing to standardise mobilising procedures and protocols. This will make mobilising more efficient.</p>
Assurance updates	<p>Level 1 assurance has been provided across the majority of the control environment with a substantial (green rating) being provided for much of the controls. Where amber assurances have been provided corrective action has been identified. To date no limited assurances (red ratings) have been identified and as such no immediate interventions are required. Therefore, the Risk Owner has provided 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>

Risk 13 – The Fire Authority suffered a significant health, safety or environmental failure, resulting in a legal challenge and/or litigation

Emerging Issues	<p>None. The overall risk score is 2 (impact) x 3 (likelihood) = 6 and the risk level remains at Medium.</p>
Changes to control measures	<p>No changes to measures in this quarter. Although assurance has been provided by the testing of the Crisis Planning arrangements</p>
Assurances updates	<p>Level 1 assurance has been provided across the majority of the control environment To date no limited assurances (red ratings) have been identified and as such no immediate interventions are required. Where satisfactory assurances have been provided action to provide for substantial (green) assurance has been identified. Performance against health and Safety PIs 19&20 continues to be strong and this has been reflected in reduced targets against PIs for 2014/15. This has enabled for the Risk Owner 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>