

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

25 JULY 2016

1. CORPORATE RISK UPDATE

Report of the Chief Fire Officer.

RECOMMENDED

- 1.1 THAT Audit Committee approve the changes to the Corporate Risks.

2. PURPOSE OF REPORT

- 2.1 This report is submitted to request Member approval of the revised and 'new' Corporate Risks at Appendix 1.
- 2.2 The changes have been proposed to reflect existing and emerging influences which have the potential to impact on our ability to deliver against the priorities and outcomes set out in our 3 year rolling Corporate Strategy, The Plan.

3. BACKGROUND

- 3.1 Corporate risks are those 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. The Authority currently has eleven corporate risks.
- 3.2 A review of these corporate risks was commissioned by the Deputy Chief Fire Officer at the Quarterly Performance Review meeting for Quarter 3 which took place on the 2 February 2016. Members were made aware of this at the Audit Committee meeting held on the 6 June 2016.
- 3.3 The purpose of the review was to consider if all of the risks were fit for purpose and aligned effectively to manage the successful delivery of priorities and outcomes in The Plan. The review also considered any new and/or emerging corporate risks, which would have the ability to affect the

successful delivery on The Plan. This review has taken into account the changing external and political environment, such as the impact of changing governance through pending legislation on the future delivery of services to the community.

3.4 The outcomes of the review were to ensure risks were aligned to The Plan, to enable effective decision making and to ensure effective ownership of risks and the measures in place to control them, exists at all levels across the Service.

3.5 The outcomes of the review have sought to simplify our approach to identifying our corporate risks, by better explaining what the risk is and also theming each risk into one of the following themes:-

- External (Political and Legislative) Environment
- People
- Delivery of Services – Prevention
- Delivery of Services – Protection
- Delivery of Services – Response
- Business Continuity & Preparedness
- Information, Communications & Technology
- Finance & Assets
- Business Development

3.6 Given the current challenges and changes taking place across the fire and rescue sector additional risks have also been identified, these are:-

- External (Political and Legislative) Environment
- Business Development

3.7 Each of these new risks will have the potential to impact on the delivery of our priorities and outcomes as set out in our 3 year rolling Plan.

3.8 A full list of current and proposed revised and 'new' corporate risks are detailed in Appendix 1.

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 legal implications associated with the implementation of the recommendation set out in this report.

6. **FINANCIAL IMPLICATIONS**

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

7. **ENVIRONMENTAL IMPLICATIONS**

None.

BACKGROUND PAPERS

Corporate Risk Update, Audit Committee Report, 6 June 2016

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

PHIL LOACH
CHIEF FIRE OFFICER

Existing Corporate Risks

1	Employee engagement (People)
	The Fire Authority would be unable to maintain the positive engagement of its employees, resulting in an inability to deliver its key priorities and objectives.
2	ICT provision (ICT)
	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.
4	Partnership arrangements (Prevention)
	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
5	Disruption to service delivery (Operational Preparedness)
	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.
6	Dealing effectively with incidents (Response)
	The Fire Authority would be unable to ensure that operational incidents are dealt with safely and effectively using appropriate levels of resources and personnel.
7	Service Delivery assets and resources (Finance & Resources)
	The Fire Authority would be unable to deliver the core responsibilities of preventing, protecting and responding effectively as a result of insufficient key assets such as buildings and vehicles.
8	Service Delivery funding and misuse of funds (Finance & Resources)
	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.
9	Service Delivery inefficient/ineffective employees (People)
	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.

10	Fire safety legislation enforcement (Protection)
	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.
11	Fire Control (Protection)
	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.
13	Health, Safety and Environmental failures (People)
	The Fire Authority suffers a significant health, safety or environmental failure, resulting in legal challenge and/or litigation.

Proposed 'Themed' Corporate Risks 2016

CR1	External (Political and Legislative) Environment
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 reorganisation, resulting in an inability to deliver against organisational strategy and planned community outcomes.
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.
CR2	People
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.
2.2	The Fire Authority is unable to deliver its core support and delivery functions effectively as a result of insufficient or ineffective employees.
2.3	The Fire Authority is unable to provide a safe and healthy environment resulting in a significant failure with potential to lead to legal challenge and/or litigation.
CR3	Delivery of Services – Prevention
3.1	The Fire Authority is unable to engage with the most vulnerable members of the community and reduce community 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
CR4	Delivery of Services – Protection
4.1	The Fire Authority is unable to discharge its duties 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.
CR5	Delivery of Services - Response
5.1	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.
5.2	The Fire Authority is unable to ensure that operational incidents are dealt with safely, assertively and effectively using appropriate levels of resources and personnel.

CR6	Business Continuity & Preparedness
6.1	The Fire Authority is unable to provide business continuity to maintain delivery of core objectives as a result of extensive disruption to normal working arrangements including national deployments and major incidents.
CR7	Information, Communications & Technology
7.1	The Fire Authority is unable to provide and maintain an effective ICT provision (excluding mobilising and communications) to support the delivery of core functions resulting in significant disruption to the organisation's ICT functionality.
7.2	The Fire Authority is unable to provide effective management and security of organisational information and documentation including the receiving, storing, sharing and transfer of information and data leading to result in reputational damage, litigation and substantial fines (DCFO).
CR8	Finance & Assets
8.1	The Fire Authority is unable to effectively deliver statutory responsibilities through the Service Delivery Model and management of a reducing budget as a result of insufficient or the misuse of funds.
CR9	Business Development
9.1	The Fire Authority is unable to meet flexible funding targets through the delivery of bespoke services to vulnerable members of the community resulting increased financial pressures to maintaining the service delivery model and delivering a balanced budget.
9.2	The Fire Authority is unable to meet legal contractual arrangements for the provision of commissioned services outside core functions resulting in reputational damage, loss of confidence and credibility and legal action.