

**Corporate Risk Quarter 1 Position Statement July 2019**

**Individual Risk Position Statement**

**Corporate Risk 1 – External (Political and Legislative) Environment**

**Corporate Risk 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.**

<p>Emerging Issues</p>	<p>The overall risk score for this risk has reduced from 6 to 2 (likelihood 1 x Impact 2) and risk rating of ‘low’ is maintained against this corporate risk.</p> <p>The statutory Order that was developed and finally approved at West Midlands Combined Authority (WMCA) on the 22<sup>nd</sup> March 2019, did not receive final consent for laying in parliament on the 5 June 2019. Four Local Authorities did not provide their consent, and this has closed down the transfer of governance of the Service from West Midlands Fire and Rescue Authority (WMFRA) to the WMCA and Mayor.</p> <p>WMFRA which reformed and reduced its size in 2018, will remain as the governing body for the Service.</p> <p>The revision of the Authority’s Strategy in February changed its approach to the development of locally commissioned work to support the wider prevention agenda and the achievement of the financial efficiency plan. An impact of this was the need to adopt an approach to delivering front line services flexibly enabling the management of resources on a daily basis, to ensure the achievement of a balanced budget.</p>
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	<p>This approach to delivering the strategy may have an impact of the services ability to contribute to public service reform priorities in the future.</p> <p>The change in The Plan 2019-2022 indicates that this risk is no longer relevant at a strategic level. There is currently limited risk of public service reform impacting on the delivery of strategy and core service delivery.</p>
Changes to control measures	<p>Several control measures associated with the transfer of governance have now been closed which aligns to the consideration that this risk can be reviewed as to its appropriateness aligned to the Plan.</p>
Assurance updates	<p>As identified above control measures in place to manage this risk have been largely closed. Some control measures remain in operation as these will still exist aligned to ongoing relationship management and strategy setting.</p> <p>The risk owner is confident that this risk is low level and could be closed at a corporate level.</p>

**Corporate Risk 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.**

Emerging Issues	<p>The overall risk score remains the same as has been throughout the year.</p> <p>A revised strategy agreed by the Fire Authority in February 2019, limits the ability for the service to engage in collaborative and/or commissioned working relationships from a wider health prevention perspective.</p>
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	<p>The ceasing of the governance transfer to the combined authority also has an impact on being able to manage this risk effectively as one of the many benefits to this move was a closer alignment to public service reform priorities across the conurbation.</p> <p>However, this does not prevent the Service continuing to position itself in the best way possible. Opportunities to enable this may require greater focus to ensure alignment to our strategic direction.</p> <p>Further consideration is required aligned to the development of the Service 3 year rolling strategy moving forward.</p>
<p>Changes to control measures</p>	<p>As with risk1.1 the control measures associated with the change in governance have been closed now as this governance transfer will not now take place.</p> <p>The Authority’s strategy for 2019/22 maintains priorities of prevention, protection and response services, albeit the flexible management of resources to manage financial efficiencies means that established prevention interventions may be reduced as a result of this approach. More transformational interventions to target the most vulnerable will be more challenging to achieve.</p>
<p>Assurance updates</p>	<p>With the closure of several control measures the risk maintains its status at the control measures remaining are those aligned to the effective management and development of strategic direction.</p> <p>The risk owner is confident that these measures are sufficiently strong to ensure that where possible the Service is able to position itself effectively in public service reform</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.**

<p>Emerging Issues</p>	<p>The overall risk has remained the same this quarter at 9 (likelihood 3 x impact 3). This was following a reduction from the 1<sup>st</sup> quarter of the year 12 (likelihood 4 x impact 3).</p>
<p>Changes to control measures</p>	<p>Good progress continues to be made in the delivery of several elements of the collective agreements (CA's) to include: The Employee Relations Framework (ERF) which is now issued. The framework in relation outlines to the working arrangements for the joint working party, joint consultative committee and the joint consultative panel are also being amended to reflect the CA's. Further development is taking place to provide an E-cademy package for all employees to ensure a greater understanding of the ERF and the specific elements held within the policy. The contract for the cultural review has been awarded to RealWorldHR who are now undertaking the cultural review. The outcomes are due to be published in September 2019.</p> <p>The Fire Authority was presented with several proposals for the delivery of the future strategy on 17 September 2018. In considering the "in year" 2018/19 short term financial control measures it was agreed that the service would reduce the use of the number of voluntary additional shifts. This has now been implemented and will continue to be evaluated to ensure minimal impact on the service delivery model and staff.</p> <p>Employee engagement 1<sup>st</sup> April</p>

	<p>Options were presented to the Fire Authority on 18 February 2019 for the delivery of the future strategy in relation to the management of fleet availability. Following agreement on the approach from the Fire Authority and undergoing an extensive consultation process the approach implemented on the 1<sup>st</sup> April. The approach will continue to be evaluated to seek feedback and ensure ongoing staff engagement to minimise staff impact and ensure the effective use of resources.</p> <p>Consultation and engagement through the (ERF) continues to be positive throughout the quarter with all options being consulted on through the joint consultative committee.</p> <p>There have been ongoing national discussions in relation to pay and conditions of service. Following the results of the ballot in April 2019, where Firefighters rejected the current pay offer and also re-endorsed the unions strategy in pay negotiations. Discussions have continued Nationally. The latest position to be noted from the Fire and Rescue Service national employer’s states – the National Joint Council has agreed to pause the national broadening of the role negotiation. Further discussions are taking place in relation to a pay award. WMFS continue to engage with staff and the representative bodies on this matter and will continue to monitor the National discussions and potential impacts.</p>
<p>Assurance updates</p>	<p>The risk owner is confident in the progress that has been made in the last quarter and that plans are in place to maintain positive local relations with representative bodies and staff. A further statement has been provided in relation to the National discussions on pay. There has been no escalation in relation to industrial action linked to pay discussions. WMFS will continue to monitor the National discussions. Based on this assessment the risk score remains the same.</p>

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**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.**

<p>Emerging Issues</p>	<p>The overall risk score is 3 (likelihood) x 3 (impact) total 9. The risk score remains at 9 due to the current position as discussed in 2.1.</p>
<p>Changes to control measures</p>	<p>The three-year staffing strategy continues to provide a strong level of forecasting for the organisation. Current recruitment and selection processes continue to provide required staffing levels are maintained to ensure the delivery of the Service Delivery Model. In addition, the revised attraction and selection process is enabling a high level of successful candidates from underrepresented groups.</p> <p>The Competency Risk Assessment recommendations were approved for 2018/19 and have been applied for 12 months Improvements to the Distributed Training Model (DTM) project are progressing well. The organisation through quarterly reporting has a good level of assurance in relation to the completion of standardised assessments. Progress is being made in relation to all standardised assessments this will be monitored for progress as part of the quarterly performance review. Further development is being carried out on the reporting tools to ensure we are gathering the appropriate levels of intelligence in a timely manner.</p> <p>The organisation received the outcomes of the Her Majesty’s Inspectorate Constabulary (HMIC) with overall performance assessed as good with outstanding being awarded for responding to fires and other incidents. The areas for improvement are being considered and further organisational</p>

	<p>improvements will be taken forward following the cultural review outcomes.</p> <p>The assessment of ability to deliver the competency framework in relation to Organisational Learning and People Development is being undertaken to ensure the appropriate levels of resources are available in support of the service delivery model.</p> <p>Performance in relation to attendance management has risen and continues to be an area of focus. Three training and development packages have been developed to support managers in providing appropriate levels of support, these are: Workplace adjustment passport, Wellbeing action plan and the Stress risk assessment/work.</p>
Assurance updates	<p>The risk owner is assured that the current control measures ensure the delivery of the services and therefore the risk score of 9 will remain the same in this quarter.</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	<p>The overall risk score remains the same at 6 (likelihood 2 x impact 3). This is a medium rated risk.</p> <p>Performance against corporate indicators reflects that injuries exceeded the target for quarter 1 (actual 41 compared to target 31.5). This compares with 39 injury reports for quarter 1 2018/19.</p>
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	<p>In respect of RIDDOR, performance was under the target for quarter 1 (actual 5 compared to target 3.5). This compares with 4 RIDDOR reports in quarter 1 2018/19.</p> <p>Levels of near hits and violence to crews (mainly verbal abuse) have reduced, compared to same quarter in 2018/19. The Health, Safety and Wellbeing team has increased its challenge of near hit reports, where other reporting mechanisms should have been used and this will contribute to a reduction in near hits.</p> <p>In April, WMFS received a Notification of Contravention from the Health and Safety Executive (HSE). This related to a swimming assessment injury in October 2018 and expressed the HSE Inspector's opinion following their investigation. WMFS has acted on all the opinions and the HSE has confirmed that it is not proportionate or in the public interest to take any further action. The injured party has returned to work and is on full duties.</p> <p>Health, Safety and Wellbeing was considered in the HMICFRS inspection, during January 2019, and was reported on positively.</p> <p>Monthly Health, Safety and Wellbeing Committee meetings are continuing successfully at Brigade level, involving the Representative Bodies, who have also been involved in joint investigations into both injuries and near hits.</p> <p>The Health and Safety Policy is now due to be reviewed, to reflect the change in the Chair of the Fire Authority.</p>
<p>Changes to control measures</p>	<p>No changes have been made this quarter, but all risk owners are advised to check this corporate risk, as some controls were reassigned to more appropriate owners last quarter.</p>

Assurance updates	Control measures have been reviewed July 2019.
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**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	Safe and Well visits continue to be delivered in line with the position agreed with the FBU whereby information will be gathered for all questions. In cases where Firefighters are uncomfortable asking specific questions, the householder will be asked to complete an online form to provide the relevant information. An IT solution is currently being developed as part of the introduction of Tymly currently being piloted in the Black Country South, with the view to eventually rolling out across the brigade. The delivery of the IT solution continues to be delayed due to conflicting ICT priorities and capacity (completion of RIDGE for legal compliance). ICT business analysts are completing scoping work with the Prevention team to ascertain a delivery date for the MVP. The situation will be monitored to identify impact on corporate performance and a delivery update will be provided next quarter.
Changes to control measures	No changes are required as the current situation provides an adequate platform for WMFS to manage risk (via Prevention) in line with the IRMP.
Assurance updates	Assurance is provided through the Corporate Performance Indicators (PI)

**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.**

<p>Emerging Issues</p>	<p>We have worked to cleanse our partnerships data base to ensure we have an effective record of true partnerships in relation to Safe and Well (SAW) referrals. This has resulted in a reduction in the percentage of referrals from partners leading to a fall in the average points for a Safe and Well visit from 8.51 to 7.57. This is likely to be linked to the reduced percentage of SAW's from partners as we know the most vulnerable people are identified through partner agency referrals.</p> <p>Analysis has been supplied to all commands identifying the true level of partnership activity as a guide for the cleansing process.</p> <p>Commands continue to identify and work with local partners to generate high quality referrals and the Partnerships team continue to offer support where required.</p>
<p>Changes to control measures</p>	<p>No changes are required as the current situation provides an adequate platform for WMFS to manage risk (via Prevention) in line with the IRMP.</p>
<p>Assurance updates</p>	<p>Assurance is provided through the Corporate Performance Indicators (PI). This situation will be monitored and it is envisaged that improvements can be made with the introduction of an ICT platform that makes partner referrals a more efficient process.</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.**

<p>Emerging Issues</p>	<p>The overall risk score remains at 9 - medium likelihood score remaining at 3 and impact score remaining at 3 = 9 medium.</p> <p>As a result of continued high and increased demand and complexity of building regulation applications, achievement of the statutory 15-day building regulation consultation timescales continues to be challenging for the Planning and Building Regulation Applications team (PBRAT). There has been a continued increase in the level of complexity in building regulation applications received.</p> <p>Consultation continues for high profile development projects for High Speed Rail (HS2) and Common Wealth Games that contributes in the increased demand for the PBRAT.</p> <p>It is foreseeable that demand for building regulation and planning applications will continue to remain high and building complexity as a potential impact of the benefits to the economy from such developments. This will continue to be challenging for the team to achieve stipulated timescales for consultations.</p> <p>Following testing of aluminum cladding material, national testing has been extended to cover a wider range of materials. This is likely to increase demand on Protection resources to manage community risk where buildings are identified as having materials that fail the enhanced testing criteria.</p>
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<p>Changes to control measures</p>	<p>Additional resources and support for the Applications team has been provided to enhance response to statutory building regulation consultations and enable timescales to be consistently achieved and maintained in an effective and efficient way. Resources have been redirected and refocused within the team to ensure that planning and building consultations are prioritised over other external activities.</p> <p>This quarter has seen improvements in the number of consultations processed within the stipulated time frames, from 48% in quarter 4 - 2018-2019 to 73% in quarter 1 - 2019-20 through interim control measures. Dedicated resources have been increased within the PBRAT following the injection of further investment commencing in the financial year 2019-20. However continuous development is necessary to ensure that staff within the PBRAT acquire the required knowledge and skills to enable the effective discharge of statutory responsibilities. It is anticipated that sector competence of the additional staff will be achieved in approximately 9 months.</p> <p>Achievement of statutory consultations processed within stipulated timescales continues to be monitored under routine performance management arrangements.</p> <p>Protection officers continue to prioritise notifications of buildings with suspected or confirmed flammable cladding materials to ensure compliance with fire safety legislation and ensure public safety and enhance public confidence across the West Midlands Conurbation. Fire Engineers continue to support Birmingham Local Authority in completing remedial action plans for flammable cladding/insulation materials and retrofitting of sprinklers in residential high-rise buildings.</p>
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	Six High Rise Residential Buildings have been retrofitted with sprinklers and two further high-rise buildings have had flammable cladding removed within the Birmingham Local Authority Area through support of the Fire Engineers.
Assurance updates	Level 1 – assurance is provided by the control owner and is verified by the risk owners.

**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	<p>The continuation of the flexible use of resources to achieve the savings outlined in the financial efficiency plan and deliver a balanced budget mean that there is an overall reduction in fleet availability. The reduction in fleet generally applies across the Brigade Response Vehicle (BRV) and is supplemented by 2<sup>nd</sup> appliances riding at 4 instead of 5 personnel.</p> <p>As the strategy options for 2019/20 are implemented following approval by the Fire Authority, further impacts on fleet availability will be realised and implemented in a risk- based manner in consideration of the IRMP.</p> <p>Standardised assessments continue to be reported to the Quarterly Performance Reporting (QPR) meetings and progress has been made in these being achieved on time across all commands. However, with the continued Flexible</p>
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	<p>use of Resources, low staffing figures and high ridership factor, this is very likely to have an impact moving forwards. Supervisory Officers are finding It increasingly difficult to book and maintain watch standardised assessments. OLPD, are continually monitoring this and where there are potential impacts. FREC, is proving to be very difficult not only for the SBAs to obtain and maintain qualification, but also for them to deliver effectively whilst crews remain available. This is mainly due to this being a recognised outside qualification that is quality assured.</p> <p>There is a plan being devised to mitigate these emerging issues.</p>
Changes to control measures	No changes to control measures and the on-duty Area Commander continues to be responsible for day to day fleet/resource management. Evaluation of impact across Prevention, Protection and Response indicators will continue to take place and be reported into the Strategic Enabling Team (SET).
Assurance updates	Level 1 assurance provided by risk owner

**Corporate Risk 5.2:**

**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	No emerging issues this quarter that raise the corporate risk level above the previously reported level of 6. There are continuing local discussions taking place around staffing and optimum crewing levels within Fire Control and these are progressing positively at this time.
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	During the quarter, there was an intruder to the HQ building which resulted in a review of security arrangements and as these have now been implemented any future risk has been mitigated.
Changes to control measures	Security arrangements for HQ have been improved and there have been some direct enhancements to the security of the Fire Control area based on staff feedback.
Assurance updates	Level 1 assurance provided by risk owner

**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	<b>European Union (EU) Exit</b> The Emergency Planning team, alongside Local Resilience Forum Partners continue to engage with EU Exit no deal planning. WMFS are maintaining awareness of updated government planning assumptions and have continued engagement with Ministry of Housing Communities and Local Government (MHCLG).
Changes to control measures	The risk score remains at: x 3 (likelihood) x 3 (impact) = 9 (Medium).
Assurance updates	<b>Plans and Arrangements</b> The Solvay multi-agency External Emergency Plan has been published following a validation exercise. Exercising has also taken place at two Control of Major Accident Hazard (COMAH) Domino sites

within the West Midlands (XPO Logistics and Esso Petroleum) to test communication arrangements.

WMFS have also started early engagement and planning with multi-agency partners for the Commonwealth Games.

**Business Continuity**

The Business Continuity policy has been reviewed in line with the current Business Continuity Institute Good Practice Guidelines. Consultation took place over an eight-week period and the policy has now been published.

The Emergency Planning College have delivered Business Continuity training at WMFS, alongside multi-agency partners.

Business Continuity training has taken place on station, including the exercising of some station Business Continuity Plans. This has resulted in learning which has led to updates being made to all station plans, including the addition of practical steps to minimise disruption due to loss of station premises. For example, previously, this section of the plan did not consider implications of kit which is left on station and therefore may be inaccessible.

A new contract is in place for Personal Protective Equipment (PPE). This includes Key Performance Indicators (KPI) which includes access to replacement kit within two hours of notifying the contractor. This will also include the contractor ensuring levels of loaner kit. These updated arrangements have been included in relevant strategic Business Continuity Plans.

**Incident Room**

Incident Room Mangers have supported exercises and incidents during the last quarter, including National Resilience Deployments, disruption to availability of risk information and a table-top multi-agency exercise.

**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.**

<p>Emerging Issues</p>	<p>The overall risk score is 6. The risk continues to be medium.</p> <p>The organisation continues to take a cloud-based approach to data storage thus reducing the reliance on in-house processes, procedures and infrastructure to access and maintain data. Cloud based solutions for business continuity and disaster recovery are being considered to improve resilience.</p> <p>An external information security audit has been undertaken and identified four areas for improvement in the organisation. The areas identified were password management, legacy systems and hardware and a small number of firewall configurations. These areas have been risk assessed and the immediate risks remediated with plans in place to complete additional enhancements.</p> <p>There has been an uplift in malicious cyber-attacks being experienced. We are working with external companies and peers in following national guidance with regard the recent increase in cyber security threat. We have also bolstered the level of in-house expertise in relation to systems and information security.</p>
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<p>Changes to control measures</p>	<p>The implementation of Office 365 has reduced the impact significantly of the loss of an on-premises data centre. Work is ongoing to establish accreditation for Code of Connection (CoCo) to the Emergency Services Network (ESN) and the Public Services Network (PSN) ensuring that the Home Office and the National Fire Chiefs Council (NFCC) requirements around cyber security threats are met.</p> <p>Additional requirement to meet the first technical standard that will be incorporated into the Government Functional Standard for Security. Compliance with the Government Cyber Essentials standard has been achieved as directed in the technical standard and further work has been identified and resourced.</p> <p>Increased levels of communication have been made available to raise employee awareness around cyber security in the form of news bulletins, middle manager briefings, Yammer and Teams messages.</p>
<p>Assurance updates</p>	<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.**

<p>Emerging Issues</p>	<p>The overall risk score remains at 6. The risk continues to be medium. The risk level may reduce further over the next few quarters as automated processes to protect data are introduced within the organisation.</p> <p>Post implementation of the European Union General Data Protection Regulations (EU GDPR) on 25th May 2018 there is an increased requirement for organisations to demonstrate ongoing compliance with the legislation.</p> <p>There could be an impact on information flows If the United Kingdom exits the European Union on the 31<sup>st</sup> October 2019 without a meaningful deal that covers information flows.</p>
<p>Changes to control measures</p>	<p>Increased levels of communications in relation to information security have been published to all employees as well as an increased drive to complete bespoke training packages related to EU GDPR and Management of Information. Increased levels of uptake of employees undertaking required training has reduced the number of reported data protection breaches for this quarter.</p> <p>Automated tools for marking documents and managing requests will replace the existing processes and provide better assurance by auditing compliance with the Management of Information framework.</p>

	<p>Stakeholder group and project activity captured in Legal Compliance transition work to ensure that disruption to business is reduced as far as practicably possibly in the event of the United Kingdom leaving the European Union on 31<sup>st</sup> October 2019 without a deal.</p> <p>Officers are continuing to work collaboratively through the (NFCC) work streams to ensure national guidance is embedded consistently.</p>
Assurance updates	The overall risk confidence opinion is amber

**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	The risk score remains at 3 (Likelihood) x 3 (Impact) = 9. The overall risk level is Medium
Changes to control measures	<p>In February 2016, The Government communicated the Authority’s Core Funding settlement. In setting out a provisional 4-year settlement (2016/17 to 2019/20), confirmation was received that the core funding reduction would be circa £10 Million by 2019/20. This level of reduction presented a significant challenge to the Service in terms of maintaining the Service Delivery Model whilst setting a balanced budget. In planning for significant funding reductions, the Service set out an Efficiency Plan, which was considered and approved by the Fire Authority on 19<sup>th</sup> September 2016 and submitted to the Home Office by 14<sup>th</sup> October 2016.</p> <p>On June 6<sup>th</sup> 2018 the Executive Committee approved the removal of New Entrant contracts to avoid industrial action by Grey Book staff.</p>

	<p>It was recognised this decision would have a significant impact on the Services ability to generate Alternative Funding and achieve the full level of staff savings reflected within the Financial Efficiency Plan (FEP). At the Authority meeting on 17<sup>th</sup> September 2018, Members supported a reduced level of Voluntary Additional Shifts to make savings of £750k in 2018/19 to offset the shortfall in the FEP. Further work was undertaken on five options presented to Members at the same Authority meeting, which were reported back to the 19<sup>th</sup> November Authority meeting. A further report was presented to the Fire Authority meeting on 19<sup>th</sup> February 2019, recommending the basis of the Service changes to be made from 2019/20 to ensure the 2019/20 budget and beyond could be set in a balanced manner (i.e. to meet the FEP shortfall combined with the Protection Function approve investment of £600k [Fire Authority meeting 19<sup>th</sup> November 2018] plus further proposed support service investments of £202k considered at the February 2019 Fire Authority meeting). The recommendations were approved by the Fire Authority.</p> <p>The budget was set in February 2019 with a number of significant issues still to be determined re: future funding impacts (specifically in relation to the Firefighters Pension Scheme, Firefighters pay awards, the outcome of the Government’s Fair Funding Review and lack of clarity around future Government funding settlements linked to the uncertainty of the timing and Impact of public sector Comprehensive Spending Reviews) but at this stage, details around those issues have not been determined.</p> <p>Thus, the Risk Owner considers the likelihood score of 3 should remain unchanged at this stage.</p>
<p>Assurance updates</p>	<p>The work and associated reports of the external auditor provides assurance against several controls in place to manage against the realisation of risk on the assurance map.</p>

	<p>Level 1 assurance has been provided across most 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 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 risk.</p>
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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.**

<p>Emerging Issues</p>	<p>The risk score is 2 (Likelihood) x 3 (Impact) = 6. The overall risk level is Medium.</p>
<p>Changes to control measures</p>	<p>There is no change to the control measures associated with the effective management of this risk</p>
<p>Assurance updates</p>	<p>The work and associated reports of the Internal Auditor and External Auditor provides assurance against several controls in place to manage against the realisation of risk on the assurance map.</p> <p>Level 1 assurance has been provided across most 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 several level 3 assurances 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 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	The risk score is 4 (Likelihood) x 1 (Impact) = 4. The overall risk level is Very Low.
Changes to control measures	There is no change to the control measures associated with the effective management of this risk.
Assurance updates	Commercial activities and income generation are being considered as part of the Strategic Enabling Team review.

**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 risk score is 4 (Likelihood) x 1 (Impact) = 4. The overall risk level is Very Low.
Changes to control measures	There is no change to the control measures associated with the effective management of this risk.
Assurance updates	Commercial activities and income generation are being considered as part of the Strategic Enabling Team review.