

Corporate Risk Quarter 3 Position Statement January 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.

Emerging Issues	<p>The overall risk score of 6 (likelihood 3 x Impact 2) and risk rating of 'low' is maintained against this corporate risk. Although the timeline for laying of the Order has now changed this is due to delays in the parliamentary process and a date for laying within January 2019 is now expected. This should not impact on the overall transfer month of April 2019.</p> <p>The joint implementation project team between West Midlands Combined Authority (WMCA) and West Midlands Fire Service (WMFS) maintains monthly meeting to enable progress of financial, human resource and communication work streams. The approach to Transfer of Undertakings Protection of Employment (TUPE) is well planned and engagement is taking place with Representative Bodies.</p> <p>Constitutional details around key roles and responsibilities and a decision-making framework as well as the role of the Mayoral Fire Committee is being worked upon for approval via the WMCA in February 2019. This will enable an effective and robust approach to governance and decision making in the new arrangements.</p> <p>The benefits that will be delivered as an outcome of this governance change will reform the governance structure for the service and present opportunities to work collaboratively, in the delivery of services to local communities through working with other public services to target vulnerable communities. These benefits are intended to ensure the Service can continue in its delivery of the Authority's approved Strategy and Integrated Risk Management Plan (IRMP) and as such planned community outcomes. The change in governance and the ongoing work to review the Authority's strategy will mean a change to The Plan for 2019-2022. Consideration of this revision this year and for future years will be undertaken by the Fire Authority in the February 2019 Authority meeting. The decisions taken throughout these meetings have the potential to impact on effective management of this risk. Whilst the environment around this risk is changing and there are changes to control measures to manage this, the risk scores</p>
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	remain the same as no impact to the legislative duties of the Service have been realised and are now more limited through public service reform.
Changes to control measures	Control measures have been updated to reflect the status but remain the same. As cited above the decision taken by the Executive Committee on the 6 June will impact on the future transformation of the Service and public service reform when transferred into the WMCA. Whilst it will not prevent the delivery of legislative services there will be an impact on how these services can be delivered within increased financial pressures. The strategy to address this will be reported into Fire Authority on the 18 th February 2019
Assurance updates	The approaches and relationships needed to manage this risk effectively continue to be in place and are well established. The recent strategic changes now need to be managed through to February 2019 (Budget and Strategy setting) to understand the impacts and early recognition of emerging threats.

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 the previous quarter. The Authority and Service continues to progress effectively working with partners in collaboration through established and emerging collaborative opportunities. The withdrawal of falls response contracts has taken place with the exception of Wolverhampton which is due to end in March.</p> <p>A referral system has been put in place to ensure safe and wells can still be delivered to the users of this service. Due to the 6 June decision to withdraw New Entrant Contracts and the revision of the Strategy for 2019-2022, the impact on this change on the ability for the Service to enter into collaborative partnerships from a wider health perspective is yet to be determined. However, the ability to deliver more transformational health related services linked to causes of fire is currently limited.</p> <p>The future proposed change in governance as outlined in risk 1.1, will provide a different perspective and new opportunities to more directly create opportunities for change. These arrangements are not due to be implemented until April 2019.</p>
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Changes to control measures	Control measures for this risk are aligned to risk 1.1 Whilst control measures regarding governance change and engagement in areas of work with the WMCA are progressing, a key control measure relating to the delivery of wider health work has been changed to red for confidence and effectiveness. The ability for the service to continue to deliver these services is much reduced. This has the potential to impact on the ability of the Service to position itself favourably in the future, when seeking wider public service reform opportunities. An additional control measure has been introduced with regards to the stepped approach to the revision of the Authority's strategy. This commenced in September and will be fully realised in February 2019. The local agreement for the draft Order which will create the governance change is positive as is the Home Offices acceptance of its content and its anticipated progression into the parliamentary process.
Assurance updates	The approaches and relationships needed to manage this risk effectively continue to be in place and are well established. However, the amendment to control measure 1.2.1.8 presents a change in assurances around this risk. The recent strategic changes now need to be managed through to February 2019 (Budget and Strategy setting) to understand the impacts and early recognition of emerging threat.

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 has remained the same this quarter at 9 (likelihood 3 x impact 3). This was following a reduction from the 1 st quarter of the year 12 (likelihood 4 x impact 3).
Changes to control measures	Good progress has been made in the delivery of several elements of the collective agreements (CA's) to include: the review of the Health and Safety Framework and the Employee Relations Framework, The snapshot review and full Cultural review. Work is now underway with all representative bodies to align these CA's to our current policies and procedures. As part of this work the Employee Relations Framework is currently undergoing a review with positive engagement and contribution from all trade unions. The framework in relation to the working arrangements for the joint working party, joint

	<p>consultative committee and the joint consultative panel are also being amended to reflect the CA's.</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 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>The options presented in relation to the financial efficiency plan for 2019/20 have now been developed further and more detail was provided to the Fire Authority on 19 November 2018 with a further paper being presented on 18 February 2019.</p> <p>In relation to staff feedback and communications What's Happening Visits have taken place with the strategic enabling team and middle managers to communicate these options along with information in relation to future governance and the transfer to the combined authority to seek feedback. The response has been positive to this approach. These visits will continue over quarter 3.</p> <p>Consultation and engagement through the employee relations framework continues to be positive throughout the quarter with all options being consulted on through the joint consultative committee.</p>
Assurance updates	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 relations with representative bodies and staff. This has led to the risk score remaining the same.

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 3 (likelihood) x 3 (impact) total 9. The risk score remains at 9 due to the current position as discussed in 2.1.
Changes to control measures	The three-year staffing strategy continues to provide a strong level of forecasting for the organisation. Current recruitment and selection processes continue to ensure staffing levels are maintained to ensure the delivery of the Service Delivery

	<p>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 the first two quarters of the year. Improvements to the Distributed Training Model (DTM) project are progressing well. The capacity issue raised in the incident command centre regarding the ability to deliver the number of standardised assessments has been addressed and will continue to be monitored through the service delivery performance structure and the level of completed incident command standardised assessments is now at 40%. Good progress is being made in relation to all standardised assessments and 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>
Assurance updates	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.

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>Further to the Health and Safety Executive inspection in September, we have now been informed there won't be a formal report. Instead, we have been invited to an "intervention and good practice feedback event" at the Scottish FRS in March 2019. The HSE will advise which area of our good practice they would like us to talk about.</p> <p>Performance against corporate indicators reflects that injuries are on target at the end of quarter 3 (actual 91 compared to target 95). In respect of RIDDOR, performance is on target at the end of quarter 3 (actual 11 compared to target 11).</p> <p>Following the positive resolution to the trade dispute, monthly Health, Safety and Wellbeing Committee meetings are now being held at Brigade level, involving the Representative</p>
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	<p>Bodies. The FBU has also been involved in joint accident investigations, as allowed for in the collective agreement.</p> <p>Health, Safety and Wellbeing is due to be considered in the HMICFRS inspection, during January 2019.</p>
Changes to control measures	The corporate risk assurance map has been updated, to reflect changes in policy reference numbers, risk owner and to check that the control measures are still valid.
Assurance updates	Control measures have been reviewed January 2019.

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>With the resolution around the trade dispute conversations have progressed with the FBU in relation to the “health” related questions within the Safe and Well visit. Jason Campbell presented a paper at September 2018 Joint Consultative Committee clearly stating the WMFS position that all staff should ask all questions at every visit to ensure equity of delivery and management of risk (via Prevention) in line with the IRMP.</p> <p>Following consultation, a compromised position has been reached 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. This IT solution is currently being developed as part of the introduction of Tymly currently being piloted in Black Country South, with the view to eventually rolling it out across the brigade.</p>
Changes to control measures	No changes are required as this solution provides an adequate platform for WMFS to manage risk (via Prevention) in line with the IRMP.
Assurance updates	None in this quarter. Performance will be monitored via PIM.

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>We have been successful in creating two-way referral pathways with health and social care partners whereby we are notified of an increased fire risk and we refer to health, mental health and social care services.</p> <p>In this quarter, we are working to cleanse our partnerships data base to ensure we have an effective record of true partnerships in relation to Safe and Well referrals. Analysis has been supplied to all commands identifying the true level of partnership activity as a guide for the cleansing process. This has already resulted in a small reduction in the percentage of referrals from partners during Q3, with a greater reduction expected in Q4.</p>
Changes to control measures	No changes are required for this quarter however, subject to the position following the data cleanse this will be reviewed.
Assurance updates	None in this quarter. Performance is being monitored via PIM.

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 remains at 6 – likelihood score remains at 2 and the impact score remains at 3.</p> <p>The Risk Identification and Data Gathering Engine that forms the Protection Risk Based Inspection Programme remains as a functional minimal viable product. Development from a tested and working minimal viable product continues to be developed. and managed to a fully completed product within a project management methodology.</p> <p>Meeting statutory 15 day building regulation consultation timescales continues to be challenging for the Planning and Building Regulation Applications team due to continued high demand and complexity of applications.</p>
Changes to control measures	There are no changes to control measures in relation to the control of this risk.

	<p>Positive progress continues with the development of the Risk Identification and Data Gathering Engine and enhancements to enriching the data sets that inform premise risk scores within the risk scheduler. Fire Safety Officers continue to identify and adopt high risk premises for pre-planned audits from the Risk Identification Data Gathering Engine minimal viable product. Fire Safety Officers continue to support enhancements to the end user experience of the minimal viable product through routine application of the Risk Based Inspection Programme.</p> <p>Phase 2 of the development from a minimal viable product to full completion of the Risk Identification Data Gathering Engine has now been scoped for final development and a schedule of system requirements are in the process of being confirmed for completion by ICT. Final system requirements and key milestones will be captured within the project timeline.</p> <p>The flexible resourcing of the Planning and Building Regulations Protection team has enabled performance improvements in meeting stipulated timescales for statutory building regulation consultations to continue. Current achievement of 98% of consultations being achieved within the 15 day timescales despite a number of large and complex applications being received.</p> <p>Achievement of statutory consultations being processed within stipulated timescales continue to be monitored under routine performance management arrangements.</p> <p>Additional investment for Protection resources has been agreed by the Fire Authority November 2018. Additional resources will be assigned to the Planning and Building Applications team to ensure the continued discharge of statutory responsibilities in regards to building regulation consultations. The selection process for the additional Protection resources is scheduled to commence January 2019.</p> <p>Following recruitment of a Primary Authority and Fire Engineer Manager and two qualified Fire Engineers from within existing Protection resources, the impact of the loss of the previous 3 Fire Engineers reported within Quarter 2 has been assessed. The replacement Fire Engineers are now responsible for delivery of the Primary Authority Scheme and supporting the Planning and Building Regulations Applications team in discharging statutory consultations for applications incorporating fire engineered solutions. Statutory responsibilities continue to take priority over potential commercial opportunities appropriate for Fire Engineer engagement.</p>
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	Protection officers continue to prioritise notifications of buildings with suspected or confirmed aluminum cladding materials to ensure public safety and enhance public confidence.
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	The overall risk score remains unchanged
Changes to control measures	<p>The risk score was increased in this area at the end of Q2 as a result of the requirement to reduce resource availability as a financial control measure to meet the £750k deficient within the Financial Efficiency Plan following withdrawal from Falls Response activity.</p> <p>As a consequence, the 3 2nd PRL are currently planned to be crewed with 4 personnel (previously 5) and there are the equivalent of 4 core BRVs unavailable during each 24-hour period. This has resulted in fleet availability reducing from a figure of circa 99% to one closer to 95%. This has increased risk as a result of additional demand on PRLS, potentially increased time to ensure a safe system of work is in place and a reduction in prevention and protection activities.</p>
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	<p>The overall risk score remains unchanged.</p> <p>Since the relocation of the Fire Control has gone live there has been a Safety Critical Notice issued by the FBU who have raised concerns about the evacuation procedure and security arrangements. These concerns will be addressed in a</p>	
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	<p>response to the Safety Critical Notice and logged at the Health and Safety Committee.</p> <p>The Warwickshire Collaboration Programme Board decision to explore the option of delivery of a single control room for Warwickshire, West Midlands and Staffordshire from WMFS Headquarters continues to develop with ongoing support provided at Programme Board in December 2018 and a final officer decision being taken at 1st March 2019 prior to seeking approval through both Authorities Governance structures.</p>	
Changes to control measures	<p>Continuous improvements to Fire Control business continuity arrangements are contained within the fire control 3PT project.</p> <p>A revised fire alarm and evacuation procedure has been implemented and tested within the new fire control area. An ongoing programme of testing and familiarisation will continue until each watch has completed 4 evacuation exercises. The testing to date has not highlighted any significant concerns that have resulted in any changes to the approach.</p>	
Assurance updates	Level 1 assurance provided by the 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	<p>Brexit</p> <p>Guidance and technical notices on how to prepare for Brexit if there is no deal have been published by the Department for Exiting the European Union. The West Midlands Local Resilience Forum Risk Assessment Working Group have been tasked with assessing the potential impact of the Brexit and carry out regular multi-agency meetings to share information and make appropriate arrangements going forward.</p> <p>West Midlands Fire Service has also considered government planning assumptions, technical notices and intelligence from partner agencies to assess the impact of Brexit and put in place appropriate mitigations. West Midlands Fire Service have</p>
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	made arrangements to take part in, and lead future multi-agency coordination groups in the lead up to 29 th March.
Changes to control measures	The risk score remains at: $x\ 3\ (\text{likelihood}) \times 3\ (\text{impact}) = 9$ (Medium).
Assurance updates	<p>Plans and Arrangements</p> <p>The Severe weather business continuity plan has been reviewed. As part of this review, all Flexi Duty Officers been issued (if requested) snow socks for their vehicles to use when on duty.</p> <p>A review has taken place on one of the Upper Tier Control of Major Accident Hazard sites, Solvay Solutions. This review has involved multi-agency consultation and workshops to develop an exercise to validate the new plan.</p> <p>All other plans are reviewed as part of the normal emergency planning and business continuity review schedule. Following all incidents and exercises, a lessons identified log is maintained to ensure lessons identified are implemented.</p> <p>Radiation (Emergency Preparedness and Public Information) Regulations, 2001.</p> <p>The above regulations have undergone consultation and are due to be published early 2019. An initial assessment of the anticipated updated regulations does not cause any implications for West Midlands Fire Service. Another full review will be conducted when the regulations are published.</p> <p>Grenfell</p> <p>A report detailing multi-agency actions since Grenfell has been shared with the Local Resilience Forum and relevant Emergency Planning actions have been added to the 3PT project management tool, through Organisational Intelligence.</p> <p>Business Continuity</p> <p>The Emergency Planning team continue to deliver Business Continuity training and Tactical Decision Exercises to watches to ensure that Business Continuity is embedded throughout the brigade.</p> <p>Emergency Planning also attended the global business continuity institute conference in November to identify leading practice and become familiar with the updated Business Continuity Good Practice Guidelines.</p> <p>West Midlands Fire Service Emergency Planning, Data Management and ICT have taken part in a multi-agency cyber exercise led by the Ministry of Housing, Communities and</p>

	<p>Local Government as part of the National Cyber Security Programme. A report of learning identified and future areas for consideration will now be complete.</p> <p>Incident Room West Midlands Fire Service Incident Room has now been relocated within the Headquarters building and is located next to Fire Control. This will help increased situational awareness and joint working during Incident Room activations. The room also has Fire Control mobilising systems installed to improve incident room manager training and increase resilience and capacity.</p> <p>Training The Emergency Planning team, Incident room managers and other relevant staff have taken part in training from the Emergency Planning College, including Control of Major Accident Hazard, tactical emergency management and mass fatalities.</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 6. The risk continues to be medium. The risk level has reduced over the quarter based on the implementation of Office 365. This suite of Office 365 products has enabled secure accessibility to ICT functionality from a wider range of devices and locations including ones not provided by the organisation. The rollout of Virtual Device Infrastructure (VDI) terminals to replace desktop computers at several organisational locations has reduced the storage of data on individual computers. This means that most organisational data will be held in cloud storage thus reducing the reliance on in-house processes, procedures and infrastructure to access and maintain data. The reliance upon the in-house data centre has reduced significantly. However, this needs to be balanced against the 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>The first technical standard that will be incorporated into the Government Functional Standard for Security was published in June 2018. Baseline against current position for the organisation has identified areas to be developed.</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 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 Home Office and 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 scoped.</p>
Assurance updates	The overall risk confidence opinion is amber.

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	<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 the Management of Information Framework is embedded and improved. 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>
Changes to control measures	<p>Advice and guidance about information security has been published to all employees as well as the rollout of bespoke training packages related to EU GDPR to improve organisational understanding. Increased drive to ensure all employees have undertaken required training by December</p>

	<p>2018 as the number of reported data protection breaches has increased.</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>Resource was allocated and a project plan was executed to implement the requirements of the EU GDPR. The post project review will identify ongoing activities to provide continued compliance and assurance.</p> <p>Officers are continuing to work collaboratively through National Fire Chief's Council (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	<p>The risk score remains at 3 (Likelihood) x 3 (Impact) = 9.</p> <p>The overall risk level is Medium</p>
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 19th September 2016 and submitted to the Home Office by 14th October 2016.</p> <p>On June 6th 2018 the Executive Committee approved the removal of New Entrant contracts to avoid industrial action by Grey Book staff. 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 FEP. At the Authority meeting on 17th 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</p>

	<p>undertaken on five options presented to Members at the same Authority meeting, which were reported back to the 19th November Authority meeting. A further report is due to be presented to the Fire Authority meeting on 19th February 2019, recommending the basis of the Service changes to be made from 2019/20 to ensure the 2019/20 budget and beyond can 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 19th November 2018] plus any proposed support service investments to be considered at the February 2019 Fire Authority meeting)</p> <p>Thus, the Risk Owner considers the likelihood score of 3 should remain unchanged at this stage.</p>
Assurance updates	<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. 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 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 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</p>

	<p>awarded at substantial (green) rating in terms of their effectiveness in managing risk triggers and are supported by several 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 risk.</p>
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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 3 (Impact) = 4. 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	The Authority has commissioned officers to develop options to make appropriate budget reductions necessary to set a balanced budget. At the February Authority meeting the revised strategy will be presented, provided that is agreed, there will no longer be a requirement to achieve flexible funding targets through business development and this risk will be removed.

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 has reduced to 2 (Likelihood) x 2 (Impact) = 4. The overall risk level is Low.
Changes to control measures	There is no change to the control measures associated with the effective management of this risk.

Assurance updates	Work has commenced with Commissioners and Local Authorities to manage the withdrawal of the health contracts. This has been achieved for two contracts. The third and final contract will cease on the 3 April 2019.
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