

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT AND RISK COMMITTEE

7 JUNE 2021

1. CORPORATE RISK UPDATE

Report of the Chief Fire Officer.

RECOMMENDED

THAT Audit and Risk Committee approve the Corporate Risk Summaries (Quarter 3, 2020/21, Appendix 1 and Quarter 4, 2020/21, Appendix 2) and note the management of corporate risk through the Business Continuity arrangements.

2. PURPOSE OF REPORT

This update covers a six-month period and is provided to ensure Members remain informed about all aspects relating to the management of the Authority's Corporate Risks. It covers Quarter 3, 2020/21 and Quarter 4, 2020/21.

3. BACKGROUND

- 3.1 This report includes the Corporate Risk Summary for Quarter 3, 2020/21 and Quarter 4, 2020/21. In addition, it provides an update on the management of Corporate Risk through the Business Continuity arrangements which were put in place in March 2020.
- 3.2 Corporate Risks are those risks which if they occurred would seriously affect the Authority's ability to carry out its core function or deliver its strategic objectives as set out in 'The Annual Plan'. Currently, the Service maintains 9 Corporate Risks, some of which have more than one element.
- 3.3 Each Corporate Risk is assigned to a Risk Owner, who is a member of the Strategic Enabling Team. The Risk Owner has

the overall responsibility for monitoring and reviewing the progress being made in managing the risk.

- 3.4 To enable for effective risk management the Risk Owner reviews and assess each corporate risk monthly. A report is subsequently submitted to SET on a quarterly basis.

The review and the estimated risk rating undertaken is based on likelihood x impact. The likelihood is a measure of probability of a given risk occurring using a scale of 1 (low) to 4 (high). The impact is a measure of the severity or loss should the risk occur again, using a scale of 1 (low) to 4 (high).

LIKELIHOOD	4				
	3				
	2				
	1				
		1	2	3	4
		IMPACT			

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

- 3.5 In undertaking a review of the Corporate Risks, the risk owner reviews the Corporate Risks and in doing so considers the following:-

- The direction of travel of the risk
- The overall confidence that the risk owner has in the risk being realised
- The current risk scores (Likelihood and Impact)

- Any issues that have emerged during the previous month
- Any forthcoming issues that may be likely to emerge that could affect the risk
- Any changes to the control measures that are in place which are designed to reduce the likelihood of the risk realisation or its impact should the risk be realised
- Additional control measures currently implemented to further reduce the likelihood or impact
- Any interdependencies with other Corporate Risks
- The recommended risk score rating

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

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

Increase/decrease in Overall Corporate Risk Score

3.8 During Quarter 3. Corporate Risk 7.2 increased its risk score in December 2020 to Likelihood 3, Impact 3, providing a risk score of 9 (an increase from 6). This has not changed the amber confidence opinion. It has remained at this level throughout Quarter 4. The increase in the risk score related to an ICT security breach, ongoing forensic work is taking place.

During Quarter 4, (January) Corporate Risk 4.1 increased to Likelihood 3, Impact 3, providing a risk score of 9 (an increase from 6). In March this reverted to an overall risk score of 6 with Likelihood 2 and Impact 3. Neither change altered the amber overall confidence opinion. The increase in the risk

score in January was due to the limited level of activity being undertaken by Fire Safety Officers due to Covid restrictions.

Quarter 3, 2020/21 (October, November, and December)

Quarter 4, 2020/21 (January, February, and March)

3.9 The Corporate Risk Summary for Quarter 3 (December), 2020/21 is attached as Appendix 1 and Quarter 4 (March) 2020/21 is Appendix 2. It provides the confidence levels of the risk management activity in respect of the Authority’s 8 Corporate Risks. It should be noted that some risks have more than one element, providing an update on 14 elements of the risks. The following is the status at the end of Quarter 4 (March 2021).

- Corporate Risks 1.2, 2.1, 2.3, 5.1, 5.2, 8.1 and 8.2 have been awarded a green confidence (substantial) opinion, which is the highest level that can be awarded. These have not changed during the six-month period.
- Corporate Risks 2.2, 3.1, 3.2, 4.1, 7.1 and 7.2 have been awarded an amber (satisfactory) confidence opinion. In all cases, work is in progress to enable for a green rating to be attained. These have not changed during the six-month period.
- Corporate Risk 6.1 has been awarded a red (limited) confidence opinion, due to the inadequacy of key internal controls being in place. This has not changed during the six-month period.

3.10 **Corporate Risk Statement Summary**

3.10.1 **Corporate Risk 1.2, External (Political and Legislative Environment)**

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

The broadly flat cash settlement for 2021/22 providing a single year’s approach to the Comprehensive Spending Review (CSR) which will not support effective financial

planning for the 3-year rolling Strategy.

The organisation is leading an NFCC approach to influencing future CSR using a data led sector approach to the provision of evidence to the Treasury. This is in development and aims to have positive future impact of the governments understanding of resourcing to risk.

3.10.2 Corporate Risk 2.1, People (Positive staff engagement)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

The service continues to monitor the current position asserted by the National Joint Council and representative bodies. Locally the Employee Relations Framework continues to be applied with early engagement and discussions being a key success factor in ensuring positive consultation and engagement.

Locally the service continues to focus on ensuring activities and services can be delivered safely to include Site Specific Risk Information (SSRI), Safe and Well checks, operational excellence, and a competent workforce. A road map has been published outlining key milestones and how progress will be monitored.

The Fire Minister has stated the intention for the Home Office to launch a white paper on fire reform based on professionalism, people, and governance. This has the potential to impact on the governance of WMFS and will be monitored.

3.10.3 Corporate Risk 2.2, People (Insufficient or ineffective employees)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

The Covid guidance for employees has been refreshed to outline three pillars of surveillance: health surveillance, infection prevention control and systems of work. It is positive to report that towards the end of quarter 4, there had been a

significant decrease in positive cases and the number of employees absent from work.

There were two areas of delivery that were identified where the impact of Covid impacted on the ability to maintain the appropriate level of training these were: driver training and the shortage of Extended Delayed Response (EDR) drivers and tactical ventilation training. Contingency plans have been put in to place to ensure training can continue to be delivered.

3.10.4 Corporate Risk 2.3, People (Safe and healthy workplace)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

It became apparent early in Quarter 3 that elements of the workforce were not complying fully with the Covid guidance, particularly social distancing and this led to an increase in cases of self-isolation. Measures were put in place to rectify this, including the Covid pre-screening questions undertaken by employees which is now well established and has been updated to reflect the 11 known symptoms. Employees are being encouraged to remain vigilant of any new variants and to take advantage of the Lateral Flow Tests that are available.

3.10.5 Corporate Risk 3.1, Prevention (Engagement with vulnerable members of the community)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

At the beginning of quarter 3 the number of Remote Safe and Wells (SAWs) increased creating a backlog of face to face SAW visits. The completion of the Tymly Remote SAW data collection form is still awaited to enable to survey those who have received a SAW since lockdown in March 2020, to identify how the assessment was completed, to evaluate the service and identify those whose risk level requires a full SAW when this is possible.

3.10.6 Corporate Risk 3.2, Prevention (Partnership arrangements)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

Where WMFS is currently working alongside other organisations to deliver Covid and Additional Activities the opportunity to capitalise on these partnership relationships post-Covid will be maximised. There may be an impact on the capacity within WMFS where team members are volunteering to support Covid activities including LFT and vaccinations.

3.10.7 Corporate Risk 4.1, Protection

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

The impact on the Building Risk Review Project and the number of audits/visits that crews will need to carry out over the next 18 months could be hindered as we move out of lockdown.

The impact of the Fire Safety Bill (FSB), Building Safety Bill (BSB) and Grenfell Phase 2 Recommendations are currently unknown.

Covid is still having an impact on Fire Safety Inspection Officers (FSIO) carrying out visits on high risk in areas where Covid risk is high i.e. Hospitals and Care homes. Visits not being carried out are medium or low risk. The impact of the FSB, BSB and Grenfell Phase 2 Recommendations are unknown now.

BRR tall building inspections were paused during the initial period of lockdown involving residential tall buildings. Only where there is a change of evacuation strategy and buildings where life risk is identified will be audited.

There are number of risks in the Water Section. The issues highlight 4 key areas:

Through Bore (TB) Hydrants fitted over the last three years by Seven Trent Water (STW) have a manufacture's defect which means they cannot be turned off when they become defective. STW have stated this is user error and have not accepted liability. This has the possibility of a financial impact on the water budget.

The inspection programme of hydrants timescale is currently an 8-year cycle for checking each hydrant. The approach currently adopted is not risk based and operates on a dated system that does not fully integrate with all other systems.

Private companies are now designing and fitting water mains. Several companies are trying to charge for the fitting of hydrants on these mains. The legislation and guidance are not clear.

There is potential risk that STW could start charging for new hydrants on new developments. These new developments are having mains downsized to 63mm which are not adequate for fire fighting.

The Commonwealth Games may require Protection staff to carry out audit and activity related to games, taking staff away from high risk defined on RIDGE.

3.10.8 Corporate Risk 5.1, Response (Operational)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

Further analysis has been carried out by Response, Building Risk Review Team, and Fire Safety, as previously identified there is a gap in the quality of information held on (SSRI) for Tall Buildings (TBs). A range of work is required to ensure TBs SSRI are fit for purpose and an action plan is being created and supported by Operations to ensure review of all SSRI for TBs (circa 700 buildings over 18 months with the majority in Birmingham).

A shortage of circa 80 Emergency Response Drivers (ERD) Pump Rescue Ladder (PRL) drivers has been identified. Recruitment will begin in April 2021. A paper recommending the creation of additional Green Book part-time post(s) within Driver Training has been produced alongside other mitigation measures. If impacts within the Driver training team are realised this could cause further delay to officers responding on blue lights to incidents.

Latest figures for water SBA are 25% below requirement. The required number of water SBA's is 40 and there are currently 30. Operations/Response leads are trying to increase uptake of water SBAs and influence staff to volunteer for role of Voluntary Rescue Swimmer (VRS) to increase numbers as currently only 40% of staff are trained to carry out this role and opportunities for training will shortly be available.

3.10.9 Corporate Risk 5.2, Response (Fire Control)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

During February there was a positive Covid case within Fire Control which for the first time during the pandemic resulted in several self-isolations due to NHS test and trace contact. To mitigate the direct and immediate impact on staffing a 'test to release' protocol was agreed within Public Health England and service delivery was maintained effectively. As a result, further instruction and management of health surveillance, infection prevention control measures and systems of work have been re-confirmed. In addition, improvements were identified and acted upon.

Whilst there remains a commitment to 'go-live' with the replacement C&C system 'Vision 4' towards the end of April 2021, there are indications that there could be further delays. There have been ongoing and lengthy delays with the implementation of the product which is directly affecting control staff confidence and has the potential to limit future system functionality. The situation will be monitored closely, and resources allocated to maximise chance of success.

3.10.10 Corporate Risk 6.1, Business Continuity & Preparedness

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

The WMFS Industrial Action Business Continuity Plan aims to minimise the impact of loss of staff caused by industrial action. However, the National Security Risk Assessment (NSRA) and local risk assessments have identified that existing Industrial Action arrangements are not sufficient to meet the current risk and Home Office resource expectation. As a result current control measures are not sufficient to mitigate the consequences of loss of staff as a result of industrial action and additional contingencies are required.

The service continues to monitor the current position asserted by the National Joint Council and representative bodies. Locally the Employee Relations Framework continues to be applied with early engagement and discussions being a key success factor in ensuring positive consultation and engagement.

Covid recovery and living with Covid multi-agency work is ongoing. Partners will plan and respond to any changing Covid developments, including the roll out of the road map and managing variants.

3.10.11 Corporate Risk 7.1, Digital and Data (Provide and support ICT)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

In January, the organisation was notified of a breach that one of our support suppliers has been affected by. The company carried out detailed forensic analysis. The supplier breach was responsible for helping to support our HR Systems. This is personal data and WMFS worked with the suppliers and the Information Commissioners Office (ICO). This could have resulted in reputational damage to the service. The supplier breach position has been clarified and there is no impact to the organisation around HR data. Forensic analysis around the initial cyber breach is ongoing due to the detail required.

The potential for the roll out of Multi Factor Authentication wider into the workforce and sensitivity labels aligned to the new Management of Information policy will have a positive effect on this area into the future.

Return to office working may result in initial lost productivity due to on site network changes that have taken place over the past 12 months, as this has been unable to be load tested.

3.10.12 Corporate Risk 7.2, Digital and Data (Management of information)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

The response times to subject access requests under the Data protection Act 2018, the complexity and location of personal data is elongating response times which were reduced from 40 days to 30 days under the General Data Protection Regulations. This continues to be an issue. In addition, there has been an increase in Subject Access requests.

Oracle Cloud Project will provide renewed focus on data and may identify processes where best practice is not followed.

The Management of Information (MOI) Policy has now been completed but has identified that there is an issue with holding permanent paper archives and data classification. This issue will be managed through the Senior Information Risk Owner (SIRO).

Some concerns remain around the management of security and cyber risks and this will be the ongoing area of focus for this area.

3.10.13 Corporate Risk 8.1, Finance & Assets (Funding)

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

In the current year, the funding impact of lower collection levels for business rates and/or Council Tax means any excess expenditure would need to be met from the Authority's overall Revenue Budget.

The Authority was successful in all its £1.35M Covid grant application (apart from £10k). In addition, a Third Tranche of funding was allocated to the Authority of £494k. Both issues improved the financial position of the Authority compared to meeting Covid related costs out of mainstream funding.

The anticipated outcome of a 3-year CSR from 2022/23 is awaited.

3.10.14 **Corporate Risk 8.2, Finance & Assets (Financial management)**

The risk owner reported that during Quarters 3 and 4 the following issues had emerged:-

The potential for future ICT security breaches and the possibility of inappropriate acts by employees.

- 3.11 Corporate Risks will continue to be submitted to the SET meetings on a quarterly basis and reported into the Audit and Risk Committee every six months whilst the Covid pandemic continues.

4. **EQUALITY IMPACT ASSESSMENT**

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

5. **LEGAL IMPLICATIONS**

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

6. **FINANCIAL IMPLICATIONS**

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

7. **ENVIRONMENTAL IMPLICATIONS**

None

BACKGROUND PAPERS

Delivery of The Plan 2021/24
Authority Report, 15 February 2021

Corporate Risk Update to Audit Committee,
Audit Committee Report, 7 December 2020

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

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