



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Finance and Resources Committee

CORPORATE RISK MANAGEMENT

Report of the Chief Fire Officer

Date: 11 October 2019

Purpose of Report:

To provide Members with an overview of the corporate risk management process and the current version of the Corporate Risk Register.

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1. BACKGROUND

- 1.1 The Authority has a robust risk management process which enables the consideration of key external and internal risks as part of the management decision-making process.
- 1.2 By establishing a systematic approach to identifying, assessing and managing risk, Nottinghamshire Fire and Rescue Service (NFRS) intends to continually improve the Authority's governance, increase accountability and enhance overall performance.
- 1.3 This report provides Members with an oversight of the Corporate Risk Management process and the key risks to which the Authority is exposed.
- 1.4 The Authority's Corporate Risk Register details those risks that are significant enough to warrant management by a Principal Officer. Specific risk control measures are put in place to reduce the likelihood and/or impact of a risk occurrence where this is felt to be practicable and/or appropriate.

2. REPORT

- 2.1 The Authority's current Corporate Risk Register is attached at Appendix A.
- 2.2 The risks contained within this register are those that the Service has identified as being the most significant in terms of impacting on Service priorities. Members will note the activities in place, and planned to help to control those risks.
- 2.3 The four risks with the highest residual rating, after the application of existing risk control/mitigation measures are:
 - The use of vehicles on Authority business (20VH);
 - Mobilising (16VH);
 - Health, safety, and welfare (15VH); and
 - Working at height(15VH).
- 2.4 Risk 2 – mobilising – has been reviewed to take account of changes to call handling and mobilisation following the implementation of Joint Fire Control. Additional governance and oversight, together with the development and testing of business continuity arrangements, have been put in place to ensure that there is no overall change to the risk rating for the Authority.
- 2.5 Agency reporting and a multiagency planning structure, continues to be in place through the Local Resilience Forum for the UK's exit from the European Union (EU). The Service has business continuity arrangements in place to deal with a range of eventualities, however, given the uncertainty associated

with the UK's exit from the EU, £800k Brexit related risk has been included in the General Fund Risk Assessment.

- 2.6 The use of the Authority vehicles remains a high risk. Lower speed forward manoeuvres are the most common incident. A separate report updating on progress against the Management of Road Risk Action Plan will be considered elsewhere on this agenda, to provide detail on the underpinning work which is ongoing to mitigate this risk.

3. FINANCIAL IMPLICATIONS

£800k Brexit related risk has been included in the General Fund Risk Assessment to mitigate against the risk of uncertainty surrounding the UK's exit from the EU.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising from this report.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken because this report consolidates existing work streams that may themselves be subject to an equalities impact assessment.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

8. RISK MANAGEMENT IMPLICATIONS

The failure of the Authority to effectively manage the risks to which it is exposed poses a risk, particularly where there is a systemic failure. Risk management is a key element of the corporate governance framework and it is imperative that risk identification and management is both up-to-date and embedded in the decision-making, governance and scrutiny processes of the Authority.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

That Members notes the contents of this report.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER

CORPORATE RISK REGISTER

APPENDIX A

Risk Owner: Head of Finance (on behalf of the CFO)										
Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
1	Inability to set a balanced budget and to contain spending within existing budgets	Inability to deliver the required savings to deliver a balanced budget going forward. Changes to funding regime 2020/21. Uncertainty over FF pension fund increased employer rates. Cost uncertainties due to Brexit e.g. increases in equipment costs/supply chain disruption Unforeseen increases in costs Poor budget management results in significant overspend or underspend. Medium term risk of not being able to set a balanced budget as part of the budget setting process.	4	4	16 VH	<p>Medium term financial strategy; Budget monitoring reported regularly to SLT and Finance and Resources Committee.</p> <p>Reserves contain elements to cover unexpected expenditure and overspends.</p> <p>Internal audit of financial management including budgetary control.</p> <p>£800k included in General Reserves to cover Brexit related additional expenditure. Rigorous budget monitoring procedures in place.</p>	4	3	12 H	<p>Review of Earmarked reserves by SLT 3 July 19.</p> <p>Increased scrutiny of budgets by SLT.</p>

Risk Owner: Deputy Chief Fire Officer										
Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
2	Mobilising	<p>Service is unable to receive and act on emergency calls in contradiction of statutory duty</p> <p>Joint Fire Control project has the potential to create risk associated with mobilisation that requires management via project governance and contract monitoring arrangements.</p>	4	5	20 VH	<p>Tri-Service Control has business continuity plans in place for failure of mobilising system and other disruptive events. These plans are practiced on a regular basis due to numerous live events. Some additional assurance is required from the Tri-Service Control Manager that effective 'fall back' business continuity arrangements are in place and exercised between the new Joint control room and Leicestershire FRS. The robustness and resilience of communications equipment between control rooms, stations and appliances must be maintained.</p> <p>Risk register created as part of project to identify potential for mobilisation to be impacted and mitigation to be put in place.</p>	4	4	16 VH	<p>Tested BCPs exist where alternative mobilising arrangements are in place, reliance on communication equipment is critical and therefore such equipment must be maintained operationally robust and resilient.</p> <p>Familiarity and BCP confidence has developed within control rooms, continual support and comms to be provided to control staff.</p> <p>Testing and exercising schedule now in place.</p> <p>The review of resilience crewing arrangements is ongoing. This links to Joint Fire Control Risk Register. Joint Fire Control Project management</p>

Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
3	Employee engagement	<p>Negative industrial relations arising from a period of austerity and change.</p> <p>Risk that the Service will be unable to effectively deliver services or develop due to a lack of employee engagement</p> <p>National negotiations relating to pay and broadening the role of Firefighters present a risk of industrial relations tension and action which is beyond the control of NFRS.</p>	3	5	15 VH	<p>SLT champion positive engagement with staff and representative bodies.</p> <p>Organisational Development and Communications strategy focus upon staff engagement.</p> <p>Engagement through Panels with the JCNP arrangements.</p>	2	4	8 H	<p>Communications strategy.</p> <p>Open communications including effective use of technology to publish key decision minutes.</p> <p>Review of Inclusion groups e.g. ESG/EEN.</p> <p>Actions arising from the staff survey.</p> <p>HMI outcomes integrated into department business plans.</p>

Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
4	Workforce sustainability	Inability to maintain sufficient or adequate workforce to meet service requirements, competency of staff, loss of corporate memory and business continuity issues.	4	4	16 VH	<p>Annual workforce plan, provides an overview of workforce projections and identifies key priority areas.</p> <p>L&D ensures delivery of effective acquisition and revalidation of operational training against national standards.</p> <p>L&D and Service Delivery in process of reviewing core competency requirements and recording.</p> <p>Service Delivery functional matrix in place to provide focus upon People elements.</p> <p>Amalgamation of L&D, Risk and assurance with additional AM capacity.</p> <p>Redkite PDS audit has identified issues of assurance in the maintenance of competency recording.</p> <p>Managers complete business impact analysis to inform issues in BCM plans and succession planning.</p> <p>Monthly ridership meetings to consider deployment of resources by Area Manager (Response) to maintain appliance availability.</p> <p>Management of ill health and absence levels with senior managers.</p>	4	3	12 VH	<p>Monitoring of Redkite audit actions by EDT.</p> <p>Report into future of competence recording systems in progress.</p> <p>Review of impact of dual contract hours on the ridership and review of existing management arrangements.</p> <p>Development of BCM test and exercise programme coordinated by Service Risk Manager.</p> <p>3-year training plan in development.</p>

Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
5	Preventable deaths	The risk that a person will die in an incident, where the Service failed to put in place an intervention which would have reduced the risk, or where an intervention was ineffective	4	5	20 VH	<p>Strategic plan purpose for Creating Safer Communities.</p> <p>Prevention and Protection strategy and local/district business plans within Service Delivery.</p> <p>District profiles that inform Service activity.</p> <p>Partnership working with other agencies to identify and target interventions at high risk individuals and premises/sites.</p> <p>NFCC national campaign support locally.</p> <p>Fire investigations to identify learning.</p> <p>Serious fire incident review panel in place to review incidents and Service actions.</p> <p>Information sharing across Service departments to learn from events.</p> <p>Development within the continuous improvement project for target setting and learning.</p>	2	5	10 VH	<p>iMatch Software installation complete and in use. Data led Safe and Well now in use to target resources to risk.</p> <p>Adult Social Care and Exeter database. Partnership mapping review in progress.</p> <p>Development of revised Prevention strategy for October 2019 sign off.</p> <p>Refresh of Evaluation toolkit and evaluation schedule.</p> <p>Upgrade of CFRMIS system 6.3 with better functionality for users.</p> <p>Communications steering group to raise profile incl. e.g. vehicle wrapping for key messages.</p>

Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
6	Health, Safety, and Welfare	The risk arising from the hazards associated with the Service's activities which may cause injury, ill-health or death to employees and/or non-employees and could result in both criminal and civil sanctions, reputational damage and negative effects on service delivery and employee morale	4	5	20 VH	The existence of the safety management system and availability of 'competent persons' to advise the Service of its duties. Risk information gathering process provides a structured methodology for assessing the risk from hazards associated with specific operational sites. Risk and Assurance Team facilitates learning from operational incidents operational de-briefs. Service learning from major events affecting FRSs via NOL/JOL to Service Health, Safety and Welfare Committee Health and Safety and role specific training ensures competence of employees Organisational Learning Policy in place including the EP1 process.	3	5	15 VH	Co-ordinated risk management approach being adopted to address NOG and training involving peer FRSs to address interoperability and achieve efficiencies available from joint work. Ongoing review of the SMS to refresh and communicate across the organisation. Communications plan to promote SMS.
7	Working at Height	Aspects of working at height activities, equipment and training have been identified as requiring review to ensure strategy, governance and change management etc. are being adequately addressed to ensure that NFRS is confident that it is adopting and maintaining safe systems of work	4	5	20 VH	Elements for policy, equipment procurement, maintenance, training and record keeping in place. Re-audit of 2015 audit carried out to determine if the risk controls identified have been applied to the required effect. Action plan based on the findings of 2018 audit developed.	3	5	15 VH	Service Health, Safety and Welfare Committee monitor Working at Height action plan. Progress being made to resolve actions 57% of actions closed.

Risk Owner: Assistant Chief Officer										
Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
8	Equipment	Adequacy of work equipment and personal protective equipment.	3	4	12 VH	<p>Issues raised through Line Managers, Service Health, Safety and Welfare Committee and via Operational Assurance Team. Service needs identified, and business cases required for significant purchases, project management process utilised for major work streams.</p> <p>Appropriate specifications for the selection of work equipment through involvement of relevant stakeholders.</p> <p>Robust inspection and maintenance procedures in place based on PUWER and PPE risk assessments plus associated information documents and Standard Tests.</p>	2	3	6 M	Operational equipment review being undertaken under the Year 1 Corporate Plan (2019 – 2020)
9	Emergency Services Network	The risk that lack of robust operational communications will affect the delivery of public services during the transition to ESN	4	5	20 VH	<p>Nationally agreed programme funded by government.</p> <p>Airwave remains in place until successful transition has been achieved.</p> <p>Internal project team established. DCFO East Midlands SRO with Regional Fire Board in place. Regular assessment and reporting to the CFA on future implications.</p>	3	5	15 VH	<p>Greater collaboration to assure transition and long-term capability management, seeking multi service support and reduce duplication in activity.</p> <p>PSN action plan to deliver a more robust and secure infrastructure</p>

Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
10	Availability of resources	The risk that the Service will lose widespread access to key resources – premises, equipment, ICT systems/employees impacting its ability to deliver services	3	5	15 VH	Business continuity plans in place. Service is implementing the principles of the protective security framework. Information Security. Competent managers. Property Strategy. Transport Strategy. NFRS have a vehicle degradation policy that can be initiated to meet the possible shortfall if appliances that are not available for operational deployment. Service policy framework for employees. ICT Strategy – policies/procedures	3	3	9 H	BCM plans to be reviewed, with testing and exercising on a programmed, auditable basis. PSN action plan to update the ICT infrastructure to a standard equivalent to 27001 ongoing – being undertaken under the Year 1 Corporate Plan (2019 – 2020)

Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
11	The use of vehicles on Authority business	<p>The risk of accidents or other events arising from driving-related activity or a shortfall in driving standards.</p> <p>The impact of vehicle accidents or other events on insurance premiums and retained loss costs</p>	4	5	20 VH	<p>Management of Road Risk action plan progress reported to SHSWC and Finance & Resources Committee. External Fleet Risk Review completed by insurers Recommendations feed into Road Risk Action Plan.</p> <p>Performance monitoring via SHSWC and line managers.</p> <p>Improvement of vehicle collision investigations to maximise organisational learning and improved management of risk.</p> <p>Greater engagement by line managers over standards and expectations in the workplace for driving-related activities.</p> <p>Wider publication of event information across the Service to highlight the implications of failures in management systems and workplace practices</p> <p>Driver training (quality framework) by L&D function.</p> <p>Insurance cover to mitigate financial losses.</p> <p>Driving safety policy. Policy for the use of light vehicle is being consulted</p> <p>The introduction of in-vehicle driving performance monitoring.</p>	4	5	20 VH	<p>Engagement with Nottingham Trent University</p> <p>Emergency Services Research Group to produce a bespoke driver training p package.</p>

Ref	Risk Title	Risk Description	L	I	Score	Owner Assurance Control	L	I	Score	Key Projects
12	Legal knowledge	The risk that the Service will make decisions without full understanding of legal requirements	4	5	20 VH	Risk Manager coordinates the identification of vulnerabilities through the risk management process with departmental leads. Embed the local code of governance into decision making and practice. Use subject matter experts in the organisation and maintain CPD. Key roles maintain subject matter expertise/CPD to mitigate risk. Use of external professionals to support the Service on compliance in areas not covered by in-house expertise (East-Midlands LawShare)	2	5	10 H	
13	Programme governance	The risk that the Service fails to effectively prioritise and resource programmes and projects, resulting in acute capacity issues and potential financial strain	5	4	20 VH	Business case process requires authorisation of Executive Delivery Team (EDT) and Strategic Leadership Team (SLT) as appropriate, who have knowledge of competing demands and priorities. Approved programmes and projects managed through project and programme management framework through the EDT / SLT governance model. Business planning process in place to ensure clear link between Strategic Plan objectives and the Departmental Business Plan priorities. The Service Project Manager reports status to the EDT monthly.	2	4	8 H	

Ref No.	Risk Title	Risk Description	L	I	Score	Owner Assurance Commentary	L	I	Score	Key Projects
14	Environmental impact	<p>The risk that the Service will fail to comply with its environmental duties resulting in the potential for enforcement action.</p> <p>Failure to consider environmental factors when making other business decisions may result in missed opportunities for reducing waste and emissions and purchasing environmentally superior assets or consumables that may deliver financial savings</p>	3	5	15 VH	<p>Property Strategy – Energy saving, and generation considered as part of new build/refurbishment projects.</p> <p>Access to competent environmental advice.</p> <p>Environmental Strategy signed off September 2016.</p> <p>Procurement process considers ‘whole life’ implications of equipment and other products bought into service.</p> <p>When procuring services, tender requirements include assessment of environmental management of the service.</p> <p>Collaborative working with the Environment Agency and partners at operational incidents.</p>	2	5	10 H	<p>Develop environmental performance improvement targets.</p> <p>Develop environmental reporting to all levels of the Service, EDT, SLT and the CFA to allow transparency and scrutiny</p>

RISK SCORING MATRIX

