

Governance Committee

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Strategic Risk Register

Report of the Chief Officer

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1 Summary

1.1 The Strategic Risk Register is presented to Members annually.

2 Recommendations

2.1 That the current version of the Strategic Risk Register is approved, and Members be invited to make any comments or amendments.

2.2 That the following risks be removed from the 'active' Register

2.2.1 Failure to ensure effective and resilient emergency call handling and mobilising arrangements. (entry number 07c)

2.2.2 Failure to collect, maintain, store and provide relevant, timely and accurate site specific risk information to adequately inform the risk assessment at an incident. (entry number 13)

3 Introduction

3.1 The Risk Management Policy and Strategy was first presented to the Authority on 9 February 2005. The Register is reviewed on a quarterly basis by Service Management Team and was last reported to this Committee in November 2010.

3.2 The strategic risk management process aims to identify, prioritise and manage any risks to the Authority's ability to achieve its objectives and targets, and manage its business. Continual review of the Register is a key part of our corporate planning process.

4 Risk Management Policy and Strategy

4.1 The aims of the Risk Management Policy and Strategy are to:

- Anticipate and respond to changing external and internal pressures to avoid unwelcome surprises.
 - Identify new priorities, objectives, and targets.
 - Raise awareness of the need for effective risk management by all those involved in the delivery of our services.
 - Manage risk in accordance with best practice, thus helping to ensure the most effective use of our resources.
 - Promote and support well thought-through risk-taking to ensure innovations and improvement opportunities are maximised.
 - Integrate risk management into the culture of the Authority.
- 4.2 The approach taken is that Members and senior managers are responsible for identifying and managing any significant strategic risks to the Authority's ability to achieve its corporate aims and objectives. Operational risks are identified and managed within the Service Delivery and support departments, both as part of their planning processes, and on a day-to-day basis.
- 4.3 Issues of strategic significance identified at operational levels are escalated to the Service Management Team (SMT) for further assessment. Horizon scanning, including 'SWOT' and 'STEEPLE' exercises are carried out annually to ensure that strengths and opportunities are considered as well as emerging threats and risks.
- 4.4 SMT examine and evaluate the strategies and controls put in place to mitigate or manage the identified risk to the required level. A current and target risk score are determined, which comprise a score between one to five, and which relate to the perceived likelihood of the event occurring. This score is multiplied by the perceived impact or consequence relating to that risk. SMT review the risk entries on the Register, and their scores, formally on a quarterly basis and more frequently if and when required. It should be noted that members of SMT are also informed by their teams, who also review the Register regularly.
- 4.5 Risks remain on the Register until they are given a score of ten or less which equates to low or very low risk, and have been reported to the Authority. When a risk is taken off the 'active' Strategic Risk Register, it is retained in a separate 'Green Risk Register' which itself is reviewed periodically by SMT to ensure that the low score is still appropriate. If necessary it can be returned to the active Strategic Risk Register.
- 4.6 A key element of the strategic risk strategy is the monitoring of the progress against the action plans to prevent and mitigate the risks. These are monitored and reviewed formally by SMT as part of their quarterly review.

5 Review of the current Register

5.1 The summary of the Strategic Risk Register, shown in Appendix A, illustrates the direction of travel of the risk score since it was last presented to this Committee in November 2010. It gives a summary of the key controls in place and those planned and being worked on for each entry.

5.2 'Low' or 'green' risks

5.2.1 Members will note that there are currently four risks classified as low/green on the 'live' Register. It is proposed that two are removed after this report has been accepted, whilst two are retained for further monitoring for the reasons detailed below.

5.2.2 Entry number 01 – 'failure to respond effectively following an extensive disruption to normal methods of working'

This has been given a score of 6, and relates to our arrangements in place to respond in the event of an extensive disruption, rather than the risk of any disruption occurring. The view of Service Management Team is that sufficient work has been undertaken to drive the risk score down. However, it is proposed that it remain on the Register, given the current climate, in respect to the potential threat of industrial action, so that it can continue to be monitored.

5.2.3 Entry number 14 – 'failure to plan and react to the implications of the Comprehensive Spending Review 2011/14'

This entry has been given a score of 10, and considerable work has been done to prepare the Authority for the implications of the Comprehensive Spending Review. The Financial Challenge Programme Board oversees the entry and reviews it quarterly. Due to the fact that there is uncertainty in terms of future funding and that our plans need to be monitored closely, it is proposed that the entry remain on the Register.

5.2.4 Entry number 07c – 'failure to ensure effective and resilient emergency call handling and mobilising arrangements'

This risk has superseded 07b 'failure to ensure that the transition to the Regional Control Centre will not adversely affect the delivery of service', due to the cessation of the national Regional Control Centre project. As the entry states, there is a project in place to implement a new Control system, and the risk has been given a score of 10. As it is included as one of the efficiency proposals that are overseen by the Financial Challenge Programme Board, any escalation in the project risk will be reported to the Board. It is proposed that the entry be removed from the 'active' Strategic Risk Register.

5.2.5 Entry number 13 – ‘failure to collect, maintain, store and provide relevant, timely and accurate site specific risk information to adequately inform the risk assessment at an incident’

The view of Service Management Team is that sufficient work has been undertaken to drive the risk score down. Improvements have been made in information provided to operational staff at incidents, and systems are in place to monitor its use. It is therefore proposed that the entry be removed from the ‘active’ Strategic Risk Register.

5.3 Risks that have increased in score

5.3.1 Members will note that one risk has increased in score since last year;

5.3.2 Failure to have the appropriate policies and procedures in place to manage driving and vehicle related risks. (entry number 06h). The impact score for this risk has been increased from 4 to 5 to reflect possible consequences in respect to the risk. The Service is working to reduce the risk, and a summary of proposed actions are detailed in Appendix A.

5.4 New risk entries

5.4.1 Two risks have been amended and combined to produce a new entry, ref number 16. These are ‘failure to identify and react to new risks in local communities’ (entry number 05) and ‘failure of the Service to adequately reflect and understand our diverse communities, and as a result fail to deliver our services effectively’ (entry number 10). The new entry takes into account key elements of both entries and focuses on the element of risk that the Service sees as the priority. The description of the entry is ‘failure to fully appreciate lifestyles that result in community and personal risk, and to develop suitable prevention, protection, and response strategies that ensure our services are delivered effectively to reduce these risks’.

5.4.2 The other new entry is described as ‘failure to engage our staff in continuing to improve whilst we meet our financial challenge’. This entry is being overseen by the Financial Challenge Programme Board and worked upon by a staff engagement working group.

5.4.3 More detail relating to the individual risk entries, the controls in place and proposed can be found on the Strategic Risk Register itself, the latest copy of which can be accessed from the link mentioned in paragraph 11 of this report.

6 Current and future work

6.1 The Performance Review Team maintains and updates the Strategic Risk Register. The Performance Review Manager is active on the Fire Sector Group of Alarm, the Public Risk Management Association. The Group is used to benchmark our risk management processes against other fire and

rescue services and ensure that we are working towards current best practice. It has also been a useful vehicle to detect new and emerging risks, and to discuss and benchmark proposed control measures with other services.

7 Contribution to corporate aims and objectives

- 7.1 We want to be the best fire and rescue service in the country and make life safer for everyone by reducing risks in the community. Sound risk management processes – that are embedded throughout the organisation – are critical to sound decision making, especially in the current financial climate. The process (which is an integral part of our planning process and performance management framework) helps to identify new and emerging issues which could impact on existing corporate aims and objectives, and provide a focus for new ones.

8 Risk Analysis

- 8.1 It is essential that a risk management policy and strategy is in place across the organisation to ensure that there is a consistent and robust approach to the identification, analysis and treatment of strategic risks. This in turn ensures that major threats are considered and managed appropriately with adequate control measures, and equally that opportunities are identified and considered.

9 Resource implications

- 9.1 The Authority has a corporate membership with Alarm, the Public Risk Management Association, and staff involved with the function have attended training courses and seminars in order to develop their knowledge, and keep up to date with best practices. One member of the team is studying risk management at MSc level. These costs are met from existing training and departmental budgets.

10 People Impact Assessments

- 10.1 Carrying out people impact assessments will strengthen our risk management practices by ensuring that the consequences of our proposed policies and actions comply with current legislation and expectations for improving equality and diversity in the workplace and in the delivery of services to the public.
- 10.2 The proposals within this report are considered compatible with the provisions of the European Convention on Human Rights, the Human Rights Act 1998, and the Race Relations (Amendment) Act 2000.

11 Background information (Section 100D of Local Government Act 1972)

- 11.1 The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report:

The Risk Management Policy and Strategy and a full copy of the Risk Register (version 29 – October 2011) can be found, and is accessible from, the Authority's web site at www.hantsfire.gov.uk/theservice/corporateplan/corporateplan-strategies/corporateplan-policiesplans.htm

Note: The list excludes: (1) published works; and (2) documents that disclose exempt or confidential information defined in the Act.

Appendix A – Strategic Risk Register – Summary