



HIWFRA Standards and Governance Committee

Purpose: Noted

Date: **28 November 2022**

Title: **ORGANISATIONAL RISK REGISTER UPDATE**

Report of Chief Fire Officer

SUMMARY

1. This paper reports to the Standards and Governance Committee (S&GC) on the revised status of our Organisational Risk Register (Appendix A) in line with our Risk Management policy and procedure. To embed and strengthen internal governance of risk management, this report enables the Fire Authority to scrutinise the Organisational Risk Register through delegated authority to the Standards and Governance Committee.
2. The Executive Group (EG) continues to scrutinise existing and emerging organisational risk. At our last Organisational Risk Register Quarterly Review, members agreed that the ten existing organisational risks remain current, and no new risks need to be added. We will continue to review this on an ongoing basis.
3. In response to an action from June's Committee meeting, the Chair and Vice-Chair were given a demonstration of the Service's JCAD computer system, the system used by the Service to record its risks and mitigations.

BACKGROUND

4. The Organisational Risk Register is part of the Service's Risk Management Framework and the Fire Authority's Safety Plan. The register enables effective management of the Service's strategic risks, risks that may affect the Service's ability to meet Safety Plan priorities.

5. The EG is responsible for risk management across the Organisation. It manages risk by:
 - ensuring the practice of effective risk management is fully embedded through the organisation
 - scrutinising the Organisational Risk Register to manage risks which could impact the functioning of the organisation
 - identifying potential opportunities for service improvement
 - deciding what risks are logged on the Organisational Risk Register, either through escalation from Directorate risk registers or new risks, setting the risk score for each

AMENDMENTS AND UPDATES

6. In September, we conducted the latest quarterly review of the Organisational Risk Register. It was agreed that all ten existing risks should remain on the risk register, albeit with a review of the inherent and residual assessments in some cases. The mitigations for each risk were reviewed to ensure ongoing work captured. A heat map showing the residual scoring of each of these risks is attached at Annex A.
7. The most significant change was to increase the inherent assessment of ORG0027 (insufficient staff available to provide critical services). This is now our highest scored uncontrolled (“inherent”) organisational risk. This reflects the risk that the Fire Brigades Union is threatening strike action which may see its members withdraw their labour, potentially causing significant disruption to each fire and rescue service. Its controlled (“residual”) risk score is still amber to reflect the considerable planning underway across the service to mitigate this should the risk materialise. We will likely know whether any industrial action is sought late November/early December.
8. In relation to our organisational risks, to note:

Internal: Workforce

ORG0027 – Insufficient staff available to provide critical services

Risk has evolved to cover industrial action. As a result, inherent scoring has been increased to reflect high likelihood and severity. Service has several organisational plans to mitigate impact.

ORG0024 – Death of an employee at work in the course of their duties

Current scoring reduced to reflect lower likelihood. Severity is such that this issue will never be removed from organisational risk register, albeit several mitigations are in place, including a pro-active health and safety culture to make firefighting as safe as it can be.

ORG0017 - Fire Ground Contaminants leading to ill health in workforce

For the moment no change, however it is envisaged this risk may be de-escalated off the organisational risk register in coming months following implementation of new guidance and accompanying risk assessment in November. As a Service we continue to look to align ourselves with known best practice.

ORG0031 – Reduced wellbeing and resilience within workforce

An ongoing risk which will be kept under review. Mental ill health is a common cause of staff absence, something that the current cost of living may exacerbate. A new Wellbeing Co-ordinator has recently been recruited to broaden and enhance the Service's wellbeing provision. We will monitor the effectiveness of this work and staff absences more generally.

Internal and External: Funding/Cost of living

ORG0016 – Reduced central government funding

No change. There continues to be great uncertainty about public finances over the coming years. We continue to seek ways to become more efficient and use our reserves prudently. Mitigations remain valid.

ORG0037 - Rise of the cost of living increasing the costs of goods and services

An ongoing concern. Internally, we have launched tailored cost of living support to our staff and taking steps to support wellbeing. Externally, we are using our strong existing structures to understand local risk and provide tailored prevention activity should fuel poverty increase vulnerability to fire. In October, we launched our 5Cs campaign to provide the public advice about how to reduce the risks from fires and carbon monoxide poisoning.

ORG0038 - Pay and price inflation lead to overspends on the capital and revenue budgets that cannot be managed within the available resources of the Service

As above, an ongoing concern. We continue to intensively manage our present and future financials to ensure balanced budgets. Risk will be extended to include interest rate rises. We will ensure HIWFRA remain sighted on budget changes.

ORG0034 - Failure to respond to the impacts of the McCloud pension remedy

An ongoing risk with no new recent developments. The Government has committed laying new regulations in the autumn to resolve this issue. Once laid, we will consider whether this risk can be de-escalated.

Internal: Corporate

ORG0015 – Successful attack on our ICT infrastructure

No change. Risk remains and mitigations in place to continually protect our ICT infrastructure.

ORG0018 - Sub-optimal data quality

Score for residual assessment reduced to reflect anticipated impact of mitigations. Should mitigations prove effective, it is hoped this risk can also be de-escalated off the organisational risk register and managed within directorates.

9. Each directorate and team have their own risk register enabling risks to be managed and mitigated at the most appropriate level.

SOUTHERN INTERNAL AUDIT PARTNERSHIP

10. Earlier this year, the Southern Internal Audit Partnership (“SIAP”) reviewed the Service’s risk management arrangements, concluding they were “reasonable.” Their report was provided to the Committee in June.
11. The partnership made four observations, each of which we accepted. Three were minor and technical in nature: clarifying our procedures (e.g. documenting our scoring methodology), ensuring information gaps in our risk management system are filled and requiring risk managers to periodically provide ‘positive’ assurance that they have managed their risks and mitigating actions. We have revised our risk management procedure to include this and are now embedding the changes across the organisation.
12. The fourth observation required us to include within our risk management framework a risk appetite. This is the amount of risk the organisation is willing to accept whilst trying to meet its objectives. SIAP’s concluded that without formally defining or adopting the risk appetite of the organisation and what level of risk is tolerated, it is not possible to assess whether the mitigating actions bring the management of risk to an acceptable level. We have accepted this and included it within our revised risk management procedure. We are working with each risk owner to define this and will report back to a future Standards and Governance Committee on the outcome of this work.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

13. In supporting our risk management framework, the Organisational Risk Register ensures that we remain focussed on achieving against our Safety Plan priorities. The risk register continues to assist in mitigating these risks to ensure effective service delivery.

RESOURCE IMPLICATIONS

14. There are no specific financial implications from the contents of this paper. Any financial impacts of future control measures would need to be assessed against the related risks and opportunities. Any plans with financial implications will be subject to appropriate review and governance.

IMPACT ASSESSMENTS

15. There will be no negative environmental impacts associated with the adoption of this paper. The Organisational Risk Register ensures that we consider emerging issues through changes in climate, and these are accounted for in our prevention and response controls.
16. The implementation of the Organisational Risk Register will have no negative people impacts. However, through a more effective approach to identifying, assessing, and mitigating risks to our communities, a positive impact will be achieved through better understanding of protected characteristics within our communities and support our workforce.

LEGAL IMPLICATIONS

17. The requirement for each Fire and Rescue Authority to have an Integrated Risk Management Plan is set out within the National Framework for Fire and Rescue Services, made under the Fire and Rescue Services Act 2004.
18. The Organisational Risk Register, as part of our Risk Management Framework, will ensure our integrated risk management process is driving our priorities.

OPTIONS

19. There is a single option which is that HIWFRA S&GC note this paper and confirm confidence in the Organisational Risk Register and that compliance with our risk management framework is being consistently demonstrated.

RISK ANALYSIS

20. The risk management framework provides a consistent and robust approach to the identification, analysis, and treatment of internal and external risks. This, in turn, ensures that major threats and opportunities are considered and managed appropriately, with adequate control measures implemented.

EVALUATION

21. The Organisational Risk Register will provide the appropriate prioritisation of risk management, and ensure risks are professionally managed and governance of plans and activities undertaken. The day-to-day management of those risks through the Executive Group, and accountability through Directorate Plans, ensures a risk management culture that will be overseen and scrutinised by Directors.

CONCLUSION

22. Our risk management framework supports the identification of external risks and internal risks through the Hampshire and Isle of Wight Fire and Rescue Service Safety Plan, therefore ensuring a proactive risk management culture. This report supports that continual monitoring and application of that framework.

RECOMMENDATION

23. The HIWFRS Organisational Risk Register status under the delegated management of the Chief Fire Officer is noted by the HIWFRA Standards and Governance Committee

24. APPENDICES ATTACHED

- A. [Organisational Risk Register October 2022](#)

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