

Status of Report: **Public**

Meeting: **Corporate Governance Committee**

Date: **12 September 2018**

Subject: **Organisational Risk Register**

Report by: **The Chief Fire and Rescue Officer**

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For: **Information**

1. Purpose

This report informs the Corporate Governance Committee (CGC) of the progress made in the management of “organisational risk” through the ongoing development of the Organisational Risk Register (ORR) and in respect of the wider management of risk within the Service.

2. Recommendations

The CGC is asked to note the:

- a) content of the ORR;
- b) improvements made in the process of organisational risk management; and
- c) detail regarding Risk Assessment 18/02 – “Cyber Attack”.

3. Executive Summary

- 3.1. The ORR details risks that have been subject to an assessment using a Risk Assessment Template. It contains high level details of the risks faced by the Service and the control measures applied to mitigate the likelihood and/or severity of the risk.
- 3.2. The ORR consists of three parts:
 - Corporate Risk Register (CRR) - hazards posing potential significant risk to the day to day running of the Service;
 - Project Risk Register (PRR) - highest level risks affecting the delivery of Service projects; and
 - Risks arising from the Health, Safety and Welfare process and procedure.
- 3.3. In 2016 and 2017 the Organisational Risk programme was subject to an internal audit by Leicestershire County Council. On both occasions, a finding of “substantial assurance” was awarded. Further progress has been made in the implementation of the audit findings and it is estimated that all of the relevant findings will be satisfied

by the end of March 2019.

- 3.4. The risk management process is subject to continual improvement and development. This has included major reformatting. The CRR now links risk assessments to the outcomes of the five corporate strategies which are included in "Our Plan".

4. Report Detail

- 4.1. The ORR is a live document. Regular review is essential to ensure it remains current and accurate, reflecting risks and control measures applied to mitigate them. The current ORR was validated and approved by Leicestershire Fire and Rescue Service Senior Management Team (SMT) in July 2018.

- 4.2. The ORR does not cover areas of risk to the Service where the hazard can be adequately managed within existing risk management processes such as Health and Safety reporting or debriefs. This helps to prevent duplication of effort.

- 4.3. The underpinning detail that supports the ORR is recorded on Risk Assessment Templates (RATs). These are created by Risk Owners in conjunction with the Corporate Risk and Resilience Manager and are subject to regular review.

- 4.4. The ORR has undergone updating, re-formatting and general improvement since it was last presented to the CGC. This includes:

- A further re-format of the ORR in line with recommendations made by the Internal Audit;
- The ongoing management and review of 14 previously identified risks;
- The introduction of 4 new risks; these are linked to procurement, finance, cyber security and the General Data Protection Regulations as highlighted by CGC in March 2018;
- A continuing review of responsibilities for risk management in line with recommendations made in the Internal Audit visits; and
- Inclusion of risk management elements into department plans and linking of the ORR to "Our Plan".

- 4.5. Assessment of RAT 18/02 - Cyber Security has produced an assessment score which requires a "Corporate" level of risk oversight. Therefore, the Committee is asked to make special note of this assessment and the following assurance provided by the Area Manager Finance and ICT:

- As IT systems become more and more sophisticated, it is prudent to identify the risk that new advanced technology could be utilised to launch a cyber-attack.
- The service has significant anti-virus and malware protection to reduce the risk and to date no attack has been successful. However, there is always the possibility that new unknown software is developed that has the capability to bypass defence systems.
- Work is ongoing in this area to constantly update and test protection arrangements in place. It is also key that staff are trained to identify and

report suspicious activity.

5. Report Implications / Impact

5.1. Legal (including crime and disorder)

Anticipating and responding to emerging risks will assist the Service in meeting its legal obligations.

5.2. Financial (including value for money, benefits and efficiencies)

The financial expenditure required to mitigate risk will vary according to the control measures applied. Adopting best value principles ensures expenditure does not outweigh benefits. Early identification and mitigation of risks has been shown to reduce potential cost through avoidance of risk or reduction in impact where risks come to fruition.

5.3. Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)

The effective management of risk will enable the Service to deliver all of its objectives. Failure to manage risk appropriately may result in criticism in future audits or inspections.

5.4. Staff, Service Users and Stakeholders (including the Equality Impact Assessment)

The growing workload arising from the Organisational Risk Programme has resulted in diversion of staff time from other areas of work to facilitate the ongoing management and development of a maturing risk management system.

5.5. Environmental

None.

5.6. Impact upon Our Plan Objectives

Effective management of risk will assist in early identification and treatment of hazards that threaten our ability to deliver all of the Our Plan objectives.

6. Background Papers

Organisational Risk Register, CGC 23 March 2016

http://www.leicestershire-fire.gov.uk/my-calendar/?mc_id=71

Organisational Risk Register, CGC 22 November 2017

http://www.leicestershire-fire.gov.uk/my-calendar/?mc_id=105

Organisational Risk Register, CGC 14 March 2018

<http://www.leicestershire-fire.gov.uk/your-fire-service/decision-making/cfa-meetings/>

7. Appendices

Appendix 1 - The Organisational Risk Register

Appendix 2 – Risk Assessment Template (RAT) 18/02 “Cyber Attack”

8. Officers to Contact

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