Status of Report: Public

Meeting: Corporate Governance Committee

Date: 13 March 2019

Subject: Organisational Risk Register

Report by: The Chief Fire and Rescue Officer

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For: Information Only

Purpose

1. This report informs the Corporate Governance Committee (CGC) of the progress made in the identification, documentation and management of "organisational risk" through the Organisational Risk Register (ORR).

Recommendation

2. The Committee is asked to note:

   a. The content of the report and the Organisational Risk Register (attached at Appendix A); and

   b. The general downward trend in the level of assessed risk.

Executive Summary

3. 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.

4. The ORR consists of three parts:

   a. Corporate Risk Register (CRR) – hazards posing a potential for significant risk to day to day running of the Service;
   b. Project Risk register (PRR) – highest level risks affecting the delivery of Service projects; and
   c. Risks arising from the Health, Safety and Welfare process and procedure.

5. 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. There remains only one outstanding audit recommendation from the audit findings. This suggested the inclusion of the role and responsibilities of the various Health and Safety Sub-committes into the Organisaton of the Health, Safety & Welfare and Corporate Risk

Committee Policy. It is projected that this will be completed by the end of March 2019.

6. The risk management process is subject to continual improvement and development.

Background

7. The ORR is a live document. Regular review is essential to ensure it remains current and accurate, reflecting risks and the control measures applied to mitigate them. The current ORR was validated and approved by Leicestershire Fire and Rescue Service Senior Management Team (SMT) in March 2019. The revised Register can be found at Appendix A.

8. 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.

9. 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.

10. The content of the CRR has been reviewed to incorporate a number of revisions made as a result of ongoing review by the SMT and includes one significantly revised risk, "Failure to Operate Safe Systems of Work" RAT19/01. This is the result of the combination of three previously separate assessments. The risk assessment has changed sufficiently such that it has been re-numbered to identify it as a new risk. The overall risk assessment for the combined RAT 19/01 is at the lower level of risk when compared to the three defunct risk assessments, reflecting the progressive reduction in risk due to implementation of control measures.

11. The general trend of risk is downwards as several risks have reduced in assessed value, mainly as a result of the implementation of control measures. These are:

    a. 15/04 – "Industrial Action" – Likelihood reduced;

    b. 15/07 – "Mass Absence" – Impact reduced due to implementation of control measures; and

    c. 17/06 – "Lack of Incident Commanders" – Likelihood increased, Impact reduced due to implementation of control measures.

12. All identified control measures in relation to RAT 16/01 "Failure to plan and respond to a move to CRITICAL" are now in place. The Risk Manager has recommended a move to "Tolerate" on the Register. This identified the risk as one worth maintaining on the ORR to ensure it remains within the corporate consciousness whist having no further control measures that can be applied without un-reasonable cost or effort. This ensures that the risk is reduced to a point as low as reasonably practicable.

13. RAT18/02 "Cyber-attack" has been reviewed and a significant number of additional control measures have been added; therefore, the management level of the risk has reduced from Corporate to Strategic. This was the only risk on the register previously considered in need of oversight at the Corporate level and has now reduced to a Strategic level for management purposes.

14. The review of the Organisational Risk Register (ORR) has been completed using the regular input from SMT as agreed during the process review of 2018.

15. Project risk as detailed in Chapter Two of the Register has changed significantly with the subsequent reduction from seven risks to two. This is due to reductions in assessed risk values by the various Project Boards and is in line with existing LFRS process.

16. Health and Safety risk information detailed in Chapter Three of the Register remains unchanged from the last time the ORR was presented to the CGC in September 2018.

Report Implications/Impact

17. <u>Legal (including crime and disorder)</u>

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

18. <u>Financial (including value for money, benefits and efficiencies)</u>

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

19. <u>Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)</u>

    The effective management of risk enables the Service to deliver all of its Strategy Outcomes. Failure to manage risk appropriately may result in criticism in future audits/peer reviews. Failure to address issues raised by Internal Audit Services may leave us open to criticism.

20. <u>Staff, Service Users and Stakeholders (including the Equality Impact Assessment)</u>

    Risk owners should ensure that timely reviews of their risks are carried out and the Risk Assessment Template (RAT) updated accordingly. This will assist in embedding the risk management process into mainstream activities.

21. <u>Environmental</u>

    None.

22. <u>Impact upon Our Plan Objectives</u>

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

Background Papers

Organisational Risk Register – report to the Corporate Governance Committee 12 September 2018. http://www.leicestershire-fire.gov.uk/my-calendar/?mc_id=126

Appendices

Appendix A – Organisational Risk Register 2019

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