

Report to	<b>Executive Panel</b>
Date	<b>22 October 2018</b>
Lead Officer	<b>Shân Morris, Assistant Chief Officer (Corporate Policy and Planning)</b>
Contact Officer	<b>Pippa Hardwick- Corporate Planning Manager (03303 132 683)</b>
Subject	<b>Strategic Risk Management</b>



## **PURPOSE OF REPORT**

- 1 To summarise for members the content of the Authority's strategic risk register in accordance with the Strategic Risk Management Policy.

## **EXECUTIVE SUMMARY**

- 2 The Authority's strategic risk register lists known risks that could potentially prevent the Authority from achieving its planned outcomes and/or delivering its core functions. Register entries are ascribed risk scores that are regularly re-evaluated by officers to reflect the current state and the predicted effect of planned countermeasures.

## **RECOMMENDATION**

- 3 That members note the identified strategic risks that the Authority faces.

## **BACKGROUND**

- 4 The Authority's adopted Strategic Risk Management Policy defines strategic risk as "an event that, should it occur, would impact on the achievement of the Authority's planned outcomes and/or the delivery of its core functions".
- 5 Under this policy, the Executive Panel receives a summary report on strategic risks at least twice a year and between times the Chair and Deputy Chair of the Authority are able to view the full detail of the register with officers.
- 6 The Strategic Risk Register records current and future risk levels if planned countermeasures have had the desired effect.

- 7 Risk levels are based on an evaluation of the likelihood that something might happen and the consequences if it did. Descriptions are provided for information at Appendix 1.

## INFORMATION

- 8 Officers continue to review and update the risk register, adding, removing and re-scoring risks as appropriate. A summary of the current register entries is provided at Appendix 2.

## IMPLICATIONS

Wellbeing Objectives	Maintaining the register and taking action to manage risk increases the likelihood that the Authority's well-being objectives will be achieved.
Budget	Maintaining the register helps prioritise spending decisions that would reduce risk levels.
Legal	Maintaining the register helps to ensure the Authority's compliance with laws that define its functions and how it operates.
Staffing	No specific implications identified.
Equalities/Human Rights/ Welsh Language	No specific implications identified.
Risks	An accidental release of the register could expose the Authority to harm.

**Risk analysis**

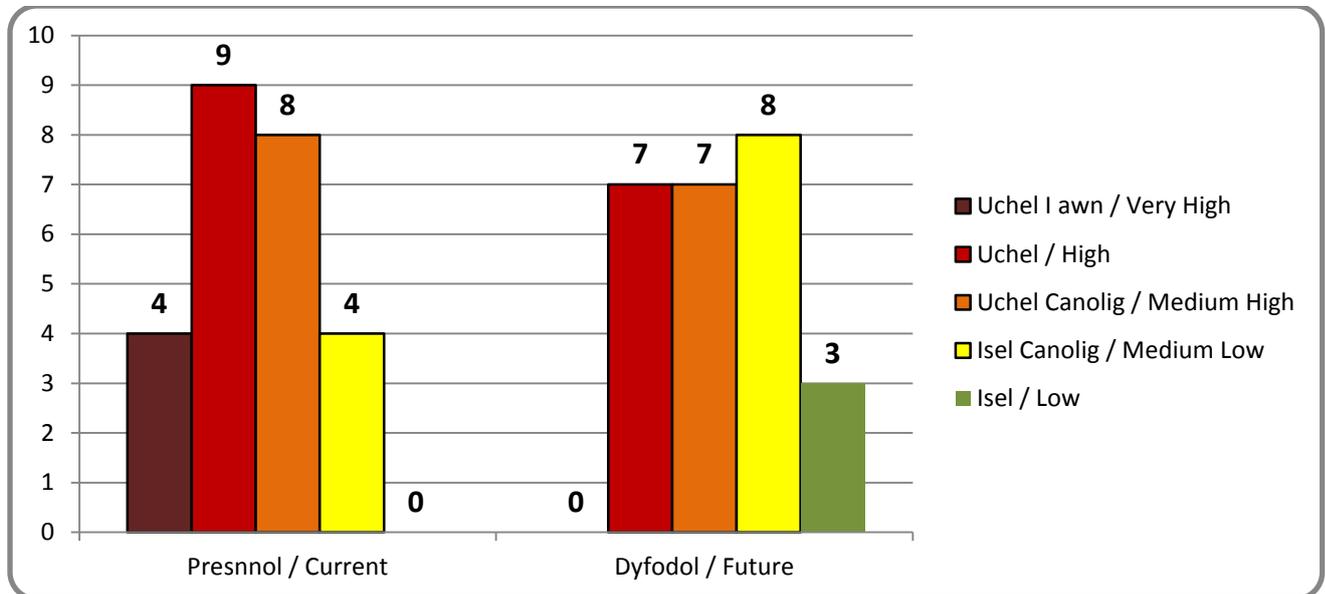
<b>LIKELIHOOD</b> <b>D</b>	5 Almost certain	5	10	15	20	25
	4 Likely	4	8	12	16	20
	3 Possible	3	6	9	12	15
	2 Unlikely	2	4	6	8	10
	1 Very unlikely	1	2	3	4	5
		1 Insignificant	2 Minor	3 Moderate	4 Significant	5 Major
		<b>CONSEQUENCE</b>				

**Risk priority scale**

Value	Priority scale
20-25	Very high - risk is intolerably high
12-16	High - risk is substantial
8-10	Medium high - risk is moderate
4-6	Medium low - risk is tolerable
1-3	Low

Strategic Risk Register as at 22/10/2018

I. The chart below illustrates the current and future levels ascribed to identified strategic risks facing the Authority.



II. Very high risk

Four risks have been identified as presenting a very high risk to the Authority. These relate to:

- failure to secure sufficient operational resources.
- insufficient funds or resources to deliver core services or to maintain risk-critical systems;
- the risk of attack on the Service's computer systems;
- the Service's level of resilience to sudden loss of staff with specialist knowledge and/or experience of NWFRS business;

With planned countermeasures it is anticipated that all these will reduce to a high risk level.

III. High risk

Nine risks have been identified as presenting a high risk to the Authority. In summary, and in no particular order, these relate to:

- terrorist and/or criminal misappropriation of assets;
- unanticipated (permanent or semi-permanent) depletion of staff affecting emergency response capability;
- the impact of changes to governance arrangements for FRAs in Wales;

- the Service's capacity to deal with additional (externally imposed) burdens;
- ineffective management of workforce information;
- the possibility of a personal data breach following implementation of GDPR;
- disruption of established relationships with local government partners;
- the importance for service delivery of a fit and healthy workforce;
- maintaining the ability to provide risk information to operational staff electronically.

With planned countermeasures it is anticipated that three will remain at a high risk level, three will be reduced to a medium high level, two will be reduced to a medium low level and one will be re-categorised as being a low level risk.

#### IV. Medium high risk

Eight medium high risks have also been identified. In summary and in no particular order, these relate to: ineffective or deficient decision-making at Authority level; a serious injury to a member of staff whilst at work; a delay in the planned national communications project; insufficient grant funding to continue to deliver fire prevention activities; disruption to purchasing activity as a result of Brexit; the inherent risks associated with diversification of services and involvement in partnership projects; ineffective corporate communications and maintaining operational consistency with other UK Fire and Rescue Services.

With planned countermeasures it is anticipated that four would remain at medium high risk level, and four would reduce to medium low risk level.

#### V. Medium low risk:

Four risks have been identified as being medium low risk level, these relate to:

- the replacement of the management information system.
- the potential effects of the proposed large development in Anglesey (Wylfa Newydd);
- failing to anticipate and tackle problems in good time;
- impact upon delivery of services due to planned strike or industrial action.

With planned countermeasures, two of these risks would remain at medium low risk and two would be reduced to low level risks.