



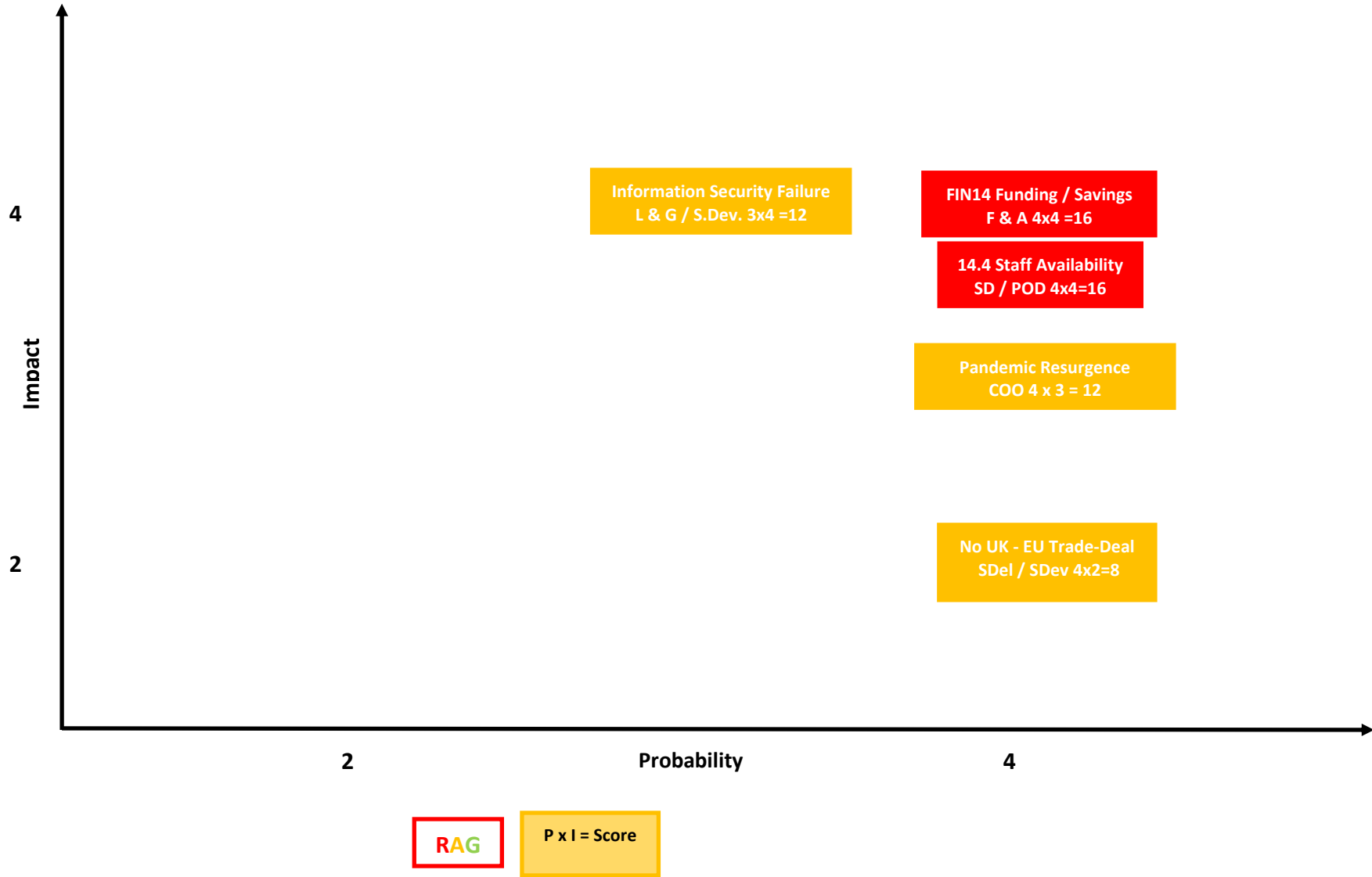
Buckinghamshire & Milton Keynes Fire Authority

MEETING	Overview and Audit Committee
DATE OF MEETING	22 July 2020
OFFICER	Graham Britten, Director of Legal & Governance
LEAD MEMBER	Councillor Keith McLean
SUBJECT OF THE REPORT	Corporate Risk Management
EXECUTIVE SUMMARY	<p>This report provides an update on the current status of identified corporate risks. Risk registers are maintained at project, departmental and directorate levels. Corporate risks are those that have been escalated from these levels for scrutiny by the Strategic Management Board (SMB) because of their magnitude, proximity or because the treatments and controls require significant development.</p> <p>The Corporate Risk Register was last reviewed by the Overview and Audit Committee (O & A) on 11 March 2020. Since then, it has been reviewed by the Performance Management Board (PMB) on 11 June 2020 and, most recently, by SMB on 23 June 2020.</p> <p>Since the last O & A meeting, the risk register has been updated to reflect the latest positions in relation to all four corporate risks including:</p> <ul style="list-style-type: none"> • Staff availability which has remained high despite the Covid-19 pandemic; • Funding and savings – updated to reflect the provision of Government grant funding to offset immediate costs associated with responding to the Covid-19 pandemic. However, the outlook for longer term funding remains uncertain both in light of Covid-19 and other factors; • Information Security – updated to include reference to risks associated with Covid-19 including external threats and those associated with staff use of remote technologies such as video-conferencing; and, • Progress with the ongoing negotiations to agree the nature of the future relationship between the UK and EU. In light of this PMB recommended, and SMB approved that the probability score for this risk be increased from three to four elevating the RAG status from Green to Amber (see pages 7-8 of Appendix 3).

	<p>Also, at the 23 June 2020 SMB, it was agreed that the risk of a second Covid-19 'peak' and / or pandemic flu outbreak be included in the Corporate Risk Register. The outcome of this evaluation is at page 9 of Appendix C.</p> <p>The current distribution of corporate risks relative to probability and potential impact is shown at Annex A.</p> <p>Changes to the corporate risk ratings over the last year are shown at Appendix B.</p> <p>Detailed assessments of identified corporate risks are shown in the Corporate Risk Register at Appendix C.</p> <p>The next O & A review is scheduled for 11 November 2020 preceded by reviews at the 8 October 2020 PMB, at which all the Directorate Risk Registers will be scrutinised, and the 20 October 2020 SMB.</p>
ACTION	Decision
RECOMMENDATIONS	<p>It is recommended that:</p> <ol style="list-style-type: none"> 1. the status report on identified corporate risks at Annex C be reviewed and approved; and, 2. comments be provided to officers for consideration and attention in future updates/reports.
RISK MANAGEMENT	The development, implementation and operation of effective corporate risk management structures, processes and procedures are considered critical to assure continuity of service to the public, compliance with relevant statutory and regulatory requirements and the successful delivery of the Authority's strategic aims, priorities and plans.
FINANCIAL IMPLICATIONS	No direct financial implications arising from the presentation of this report. It is envisaged that the further development of the Authority's corporate risk management framework will be undertaken from within agreed budgets.
LEGAL IMPLICATIONS	None directly arising from this report. Any legal consequences associated with the crystallisation of individual risks are detailed in the Risk Register report at Appendix C.
CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE	The potential to share corporate risk intelligence with neighbouring FRS and other relevant agencies will be considered. BMKFA already participates in the multi-agency Thames Valley Local Resilience Forum which produces a Community Risk Register which is among the sources used to identify potential risks to the Authority.
HEALTH AND SAFETY	Development of the framework does not impact

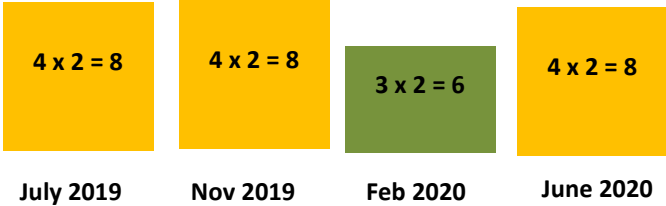
	directly on the legal compliance to health and safety, however if risks are not appropriately identified then this may present Health and Safety risks.
EQUALITY AND DIVERSITY	No direct implications from the presentation of this report. However, risks to achieving the Authority's equality, diversity and inclusion objectives or compliance with relevant statutes or regulations are identified assessed and managed via this process and are currently monitored within the People and Organisational Development Risk Register.
USE OF RESOURCES	<p>The development of the risk management framework complements the governance framework and business processes as a critical cog in the system of internal control and makes better use of our people resources by giving them clearly defined areas of responsibility.</p> <p>Senior managers and principal officers are key stakeholders in the development of the framework and have an active role in its development at every stage. The lead Member will also be involved in the development of the framework with particular responsibility for determining the reporting arrangements for the Authority.</p> <p>As with all policy frameworks, all employees will be informed of the changes in the process and will receive any training necessary to support their role in the process.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>The current Corporate Risk Management Policy was approved at the 18th March 2015 Executive Committee:</p> <p>https://bucksfire.gov.uk/documents/2020/03/180315_exec_committee_papers.pdf/</p> <p>CFA Members were last updated on the status of the Authority's Corporate Risks at the 11 March 2020 Overview & Audit Committee and will be updated again at the 11 November 2020 meeting.</p>
APPENDICES	<ol style="list-style-type: none"> 1. Appendix A: Distribution of Corporate Risks at 23 June 2020 SMB meeting. 2. Appendix B: 12 Month View of Changes to Corporate Risks 3. Appendix C: Corporate Risk Register Report
TIME REQUIRED	10 Minutes
REPORT ORIGINATOR AND CONTACT	Stuart Gowanlock, Corporate Planning Manager sgowanlock@bucksfire.gov.uk

Annex A: Corporate Risk Map – As at 23 June 2020

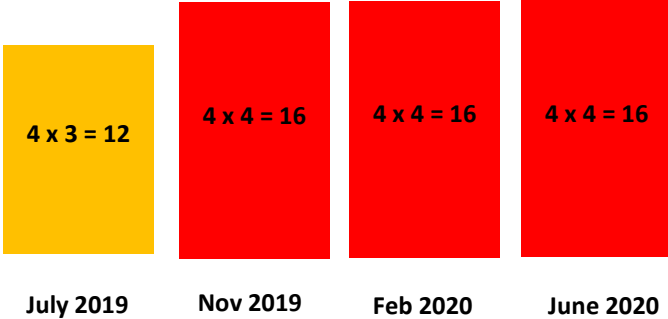


Annex B – Risk Register Changes (12 Month View)

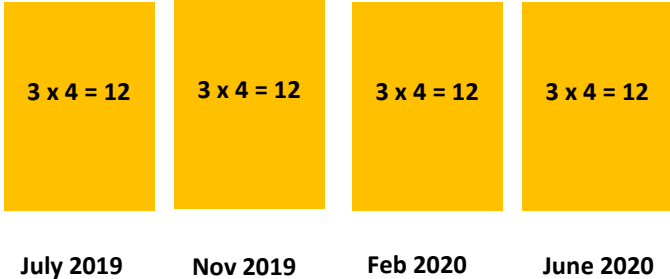
No UK – EU Trade Agreement



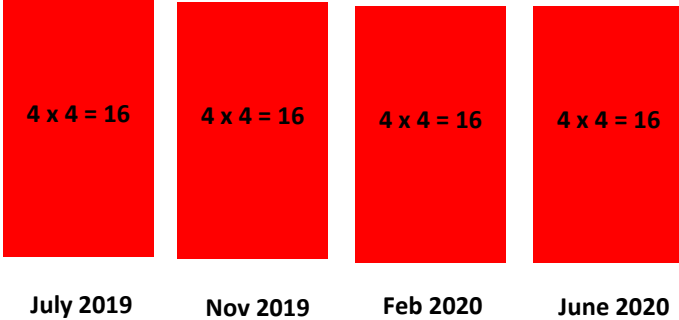
Staff Availability



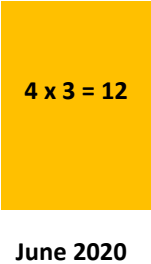
Information Security Failure



Risk to Funding



Risk of Covid-19 Resurgence / Pandemic Flu



Annex C - Corporate Risk Register – as at 23 June 2020 SMB

Corporate Risks

Risk Description	Resp.	Consequences if Untreated Risk Occurs	Risk Score (Former) / New			Risk Level	Current Treatment	RAG	Comments / Further Treatment Proposed
			P	I	Σ	HML			
<p>CRR 014.4 Staff Availability Emerging risks of 1/ Court of Appeal ruling on the McLeod/Sergeant cases. Potential for all affected staff retiring from the Service on or before March 2022</p> <p>2/ Staff inability to get to work due to external factors e.g. Pandemic Flu, disruption to fuel supplies etc.</p> <p>3/Impact of transformation at pace on attraction of new staff, retention and overall workforce stability.</p>	Chief Operating Officer	Potential detrimental effects on service delivery to the community and our reputation.	(2)	(5)	(10)	(M)	<ul style="list-style-type: none"> • Full business continuity plans in place & uploaded to Resilience Direct. • Peer review of the business continuity arrangements • Bank System • Flexi-Duty System Pilot • Staff Transfer Procedure • Employee assistance and welfare support • Training Needs Assessment process • Monitoring of staff ‘stability ratio’ relative to best practice and sector norms • Review of Resourcing and Retention strategies • Wider range of contracts offering more flexible ways of working • A variety of approaches are being adopted to replenish the workforce. These include more operational apprentices, transferees, and re-engagement options • Workforce planning data is regularly reviewed with Service delivery, HR and Finance. • Growth bids to be considered to support future resourcing demands. • HR are reviewing the future promotion and career development options 	R	<p>2 July 2019 SMB The Government’s application to appeal the Court of Appeal ruling that the transition arrangements for the 2015 Firefighters Pension Scheme were unlawful was refused on 27 June 2019. The case will now be remitted back to the employment tribunal for remedy. This decision will impact on retirement dates and staff retention. Workforce plan modelling is underway covering a range of potential scenarios. These scenarios will be refined as the remedy is developed. 27 August 2019 Informal SMB Early analysis of the potential impact of the pensions’ decision indicates that senior and middle ranking officers are likely to be most affected. In light of this the risk has been elevated to red RAG status (with a 4 x 4 = 16 probability and impact score). 22 October 2019 SMB As the transitional provisions transferring members into the 2015 Firefighters’ Pension Scheme were found to be unlawful, a ‘remedies hearing’ has been scheduled for 18 December 2019. Any remedy awarded to scheme members is likely to have a significant impact on current assumptions about retirement profiles and succession pipelines. 14 January 2020 SMB On 18 December 2019, the employment tribunal ruled that more than 6,000 firefighters are entitled to return to their pre-2015 pension schemes. The claimants, members of the 1992 and 2006 firefighters’ pension schemes, are now entitled to</p>
			(5)	(5)	(25)	(H)			
			(3)	(5)	(15)	(H)			
			(4)	(5)	(20)	(H)			
			(3)	(5)	(15)	(H)			
			(5)	(4)	(20)	(H)			
		(4)	(3)	(12)	(M)				
		(5)	(3)	(15)	(H)				
		(4)	(3)	(12)	(M)				
		(5)	(3)	(15)	(H)				
		(3)	(3)	(9)	(M)				
		(4)	(3)	(12)	(M)				
		4	4	16	H				

Annex C - Corporate Risk Register – as at 23 June 2020 SMB

<p>This is a composite risk more detailed evaluations of individual risk components are contained in the P & OD Directorate Risk Register.</p>								<p>be treated as if they have remained members of their original pension scheme, with benefits including a retirement age of between 50 and 55.</p> <p><u>30 January 2020 PMB</u> Officers are monitoring developments associated with the recent ‘Corona-Virus’ (2019-nCoV) outbreak in China which has already spread to other parts of the world including the UK. Production of new guidance which consolidates, updates and supersedes a range of previous guidance relating to planning and preparedness for this area of risk has been accelerated and is being submitted to the 11 February SMB for approval and publication on the Intranet.</p> <p><u>11 February 2020 SMB</u> Updated Pandemic Outbreak Planning Guidance approved for release to all staff via the intranet. Officers continue to monitor developments and to work with Local Resilience Forum partners to prepare for all identifiable contingencies associated with this area of risk.</p> <p><u>12 May 2020 SMB</u> Resourcing levels are constantly monitored to ensure coverage. Resourcing has not been impacted by the pandemic outbreak, if anything they are better than previously. 20 Apprentices (cohort 5) joined the service on 6 April, and cohorts 3 and 4 joined on the 22 March. Development centres and recruitment are continuing to ensure roles are resourced. Plans are in place to ensure that the On-call recruitment continues in the near future.</p> <p><u>23 June 2020 SMB</u> No change to risk score or evaluation.</p>
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Annex C - Corporate Risk Register – as at 23 June 2020 SMB

Risk Description	Resp.	Consequences if Untreated Risk Occurs	Risk Score (Former) / New			Risk Level	Current Treatment	R A G	Comments / Further Treatment Proposed
			P	I	Σ				
Fin 14 – Funding and Savings Requirement	Director Finance & Assets	The funding settlement now assumes that a council tax increase is required each year in line with the prevailing capping limit, currently 2% for the Fire Authority, and that local growth meets expectations. If either, or both, did not come to fruition then there is a risk the Authority will not meet its commitment to the PSP 2020 - 25 and that a fundamental re-think of service provision would be required.	(4)	(4)	(16)	H	Proactive management of the MTFP is in force and is very closely aligned to workforce planning. For the present, USAR (S31) grant funding is assumed to continue, though notification now seems to be year on year and often after budget setting. If removed, the Authority will need to cope with a circa £800k cut in funding. The Authority has responded to consultations and lobbied MPs to increase the referendum threshold for fire authorities to £5.	R	<p><u>17 September 2019 SMB</u> Spending Round 2019 (SR19) was announced by the Chancellor on 4 September 2019. Prior to SR2019 we were forecasting that real-terms central government funding would continue to fall over the period of this PSP. Since SR19 was announced we have updated our forecasts to show this now being flat in real-terms. However, SR19 only covers a one-year time period, and future Comprehensive Spending Reviews may require these forecasts to be revisited. Also, despite the effect of efficiency measures already taken during the period 2015-2020, we continue to face other financial uncertainties that potentially require us to find additional funding and/or make further savings. These uncertainties arise from: Increases in the amount that employers are required to contribute to the Firefighters’ Pension Scheme due to changes made by the Government; uncertainty over long-term funding that we receive from Government to provide Urban Search and Rescue as part of national resilience arrangements to deal with major civil emergencies such as terrorist attacks; and changes to the allocation of business rate receipts to local authorities.</p> <p><u>14 January 2020 SMB</u> On 17 December 2019, HMICFRS published the report on the outcomes of its inspection of the Service. Amongst other things, it corroborated the Service’s position that it requires additional funding. On 20 December 2019, the Government published the provisional local government finance settlement for 2020-21. The proposed referendum principles for fire and rescue</p>
			(3)	(4)	(12)	M			
			(3)	(4)	(12)	M			
			4	4	16	H			

Annex C - Corporate Risk Register – as at 23 June 2020 SMB

								<p>services is that any increases in Council Tax are limited to less than 2% (the threshold for the previous two years was 3%). Official confirmation that the pension grant funding will continue into 2020-21 has not yet been received, although this is expected before the final settlement.</p> <p><u>11 February 2020 SMB</u></p> <p>On 6 February 2020, the Government published the Final local government finance settlement: England, 2020 to 2021 via a written statement to Parliament (the debate on this is due to take place on 12 February 2020). The statement confirmed the referendum principles for fire and rescue services would be 2%.</p> <p>On 6 February 2020, the Home Office also formally confirmed that the same amounts of pension grant funding will be paid for 2020-21 as were paid in 2019-20.</p> <p><u>12 May 2020 SMB</u></p> <p>The immediate costs relating to COVID-19 have been covered by the additional grant funding provided by Government. However, there is a significant risk to future funding levels, as Council Tax and business rates revenues are likely to fall and Government funding may also be decrease. It is also unlikely that a Comprehensive Spending Review will be completed in time for 2021-22, adding further uncertainty to the current financial outlook.</p> <p><u>23 June 2020 SMB</u></p> <p>No change to risk score or evaluation.</p>
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Annex C - Corporate Risk Register – as at 23 June 2020 SMB

Risk Description	Resp.	Consequences if Untreated Risk Occurs	Risk Score (Former) / New			Risk Level	Current Treatment	R A G	Comments / Further Treatment Proposed
			P	I	Σ				
<p>Information security failure to -</p> <p>a) comply with statutory or regulatory requirements</p> <p>b) manage technology</p> <p>c) manage organisational resources</p> <p>Deliberate: unauthorised access and theft or encryption of data. Accidental: loss, damage or destruction of data</p>	<p>Senior Information Risk Owner (SIRO) Director Legal & Governance</p>	<ul style="list-style-type: none"> Inability to access/use our e-information systems. Severe financial penalties from the Information Commissioner Lawsuits from the public whose sensitive personal information is accessed causing damage and distress. 	(4) 3	(4) 4	(16) 12	(H) M	<p>1. Appropriate roles:</p> <ul style="list-style-type: none"> SIRO has overall responsibility for the management of risk Information and information systems assigned to relevant Information Asset Owners (IAO's) Department Security Officer (DSO) the Information Governance & Compliance Manager has day-to-day responsibility for the identification of information risks and their treatments 'Stewards' assigned by IAO's with day-to-day responsibility for relevant information. <p>2. Virus detection/avoidance:</p> <p>Anti-Malware report – no significant adverse trends identified which indicates that improved security measures such as new email and web filters are being successful in intercepting infected emails and links;</p> <p>3. Policies / procedure:</p> <p>Comprehensive review and amendment of the retention and disposal schedules / Information Asset Registers,</p> <ul style="list-style-type: none"> current and tested business continuity plans / disaster recovery plans employee training/education tested data/systems protection clauses in contracts and data-sharing agreements Integrated Impact Assessments (IIA) disincentives to unauthorised access e.g. disciplinary action <p>4. Premises security:</p> <ul style="list-style-type: none"> Preventative maintenance schedule Frequent audits at Stations and inventory aligned to asset management system. Reduction in the number of CCTV requests following improved education and guidance in relation to the use of the same; 	A	<p><u>17 September 2019 SMB</u></p> <p>The National Cyber Security Centre weekly threat report advised that security breaches against service desk/ support lines lead to an increase in phishing scams. GB to investigate the availability of training packages for "mock" phishing scams to help to raise awareness amongst employees.</p> <p>Not all departments have a retention and disposal schedule in place. This is a legal requirement and also helps the Authority to identify all of the information types it holds and enables an audit of information to ensure security arrangements including timely destruction.</p> <p><u>22 October 2019 SMB</u></p> <p>The South East Regional Organised Crime Unit (SEROCU) cyber training to be reviewed with a view to rolling it out to a large group of employees.</p> <p><u>14 January 2020 SMB</u></p> <p>NCSC weekly threat report - as at 20 Dec no new UK threat notified.</p> <p>Large volumes of data stored on our network drives, particularly Outlook files, are threatening to delay the migration to Microsoft 365 and to cloud hosting. We have already experienced significant systems disruption as a result of server failure so any delay to cloud hosting may lead to further incidents.</p> <p><u>11 February 2020 SMB</u></p> <p>A report of data breaches reported to the Information Commissioners Office in 2019 found that nine out of ten of the 2,376</p>

Annex C - Corporate Risk Register – as at 23 June 2020 SMB

							<p>- Premises Security Group re-established to meet on a 3 monthly basis aligned to the PMB meeting schedule.</p> <p>5. Training: The biannual “Responsible for Information” training will be supplemented by the National Cyber Security Centre’s new e-learning package 'Top Tips for Staff' which will be built into the Heat training platform as a mandatory biannual package.</p>		<p>breaches were owing to “mistakes by users”. Phishing was named as the main cause of breaches.</p> <p><u>12 May 2020 SMB:</u> Threats to our network and systems are particularly disruptive during the coronavirus crisis when rules and guidance are dynamic and subject to frequent updates. (Refer to note 14 January); The use of video conferencing has not been commonplace across the Authority and most employees are unfamiliar with conferencing tools to be aware of additional security risks; employees failing to familiarise themselves with Authority policies and procedures and instructions put the Authority at risk. It is important to remember that privacy laws have not been suspended and new or amended procedures involving personally identifiable information must be impact assessed before changes are made.</p> <p><u>23 June 2020 SMB</u> As the use of video conferencing becomes more commonplace across the Authority its use has grown exponentially so that meetings are replacing telephone and email communications. This has enabled all relevant parties to interact concurrently rather than consecutively and issues are resolved with fewer iterations. No change to risk score or evaluation.</p>
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Annex C - Corporate Risk Register – as at 23 June 2020 SMB

Risk Description	Resp.	Consequences if Untreated	Risk Score (Former) / New			Risk Level	Current Treatment	R A G	Comments / Further Treatment Proposed
			P	I	Σ	HML			
Risk of physical disruption to Service operations due to no, or insufficiently comprehensive, agreement covering future UK relations with the EU.	Heads of Service Development and Delivery.	Disruption to procurement processes leading to potential shortages of equipment or consumables.	(4)	(2)	(8)	(M)	The likely impact of short-term disruption to supplies of equipment to the Service is considered to be low given that: most Authority procurement contracts are with UK based suppliers; and, the relatively long timescales for procurement within the sector. Advice and guidance from the NFCC and Fire Industries Association in relation to this risk is monitored and acted on as required.	M	<u>11 February 2020 SMB</u> On 31 January 2020, the UK formally withdrew from the European Union. Whilst it has left the EU’s political structures, it will remain within the Single Market and Customs Union for a transitional period which ends on 31 December 2020. However, the risk of disruption to UK trading and other relations with EU countries remains, pending and dependent on the nature of any future agreement reached with the EU. Greater clarity regarding this is unlikely to emerge before the autumn, in the meantime officers continue to monitor developments with a view to identifying any emerging implications for the Authority / Service and its operations. Agreed to reduce risk probability score to 3, given that proximity of risk has receded, pending further information as to progress with trade and other future EU relationship negotiations.
		Disruption to transportation delaying personnel and or vehicle movements.	4	2	8	(L) M			

Annex C - Corporate Risk Register – as at 23 June 2020 SMB

								<p>end of the year. Two further negotiating rounds are scheduled before the end of June waypoint at which a view will be taken as to whether enough progress has been made to indicate that an agreement can be successfully concluded by the end of the transition period (31 December). The UK has repeatedly indicated that it will not seek an extension to the transition period. Officers will continue to monitor progress and whether any potential risks to the Authority may arise.</p> <p>11 June 2020 PMB In light of the current state of negotiations between the UK and EU regarding their future relationship, PMB recommended increasing the risk probability score to 4 which raises the RAG status to Amber.</p> <p>23 June 2020 SMB SMB approved the increase in the risk probability score to 4. It was also noted that ongoing free trade negotiations with other countries such as the USA, Japan and Australia, that are being pursued in parallel with the UK – EU ones, could have implications for existing EU / UK focused supply chains, with the potential for changes to costs and standards associated with materials and end-products used in the fire sector. The CFO is monitoring these via the NFCC.</p>
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Annex C - Corporate Risk Register – as at 23 June 2020 SMB

Risk Description	Resp.	Consequences if Untreated	Risk Score (Former) / New			Risk Level	Current Treatment	R A G	Comments / Further Treatment Proposed
			P	I	Σ	HML			
Risk of resurgence of Covid-19 and / or pandemic influenza in Autumn / Winter 2020.	Chief Operating Officer	Increased levels of sickness absence amongst staff. Potential degradation of capacity or capability to deliver key services to the public and / or sustain supporting functions.	4	3	12	M	<p>In addition to controls identified for existing staff availability risk (see page 1-2 above):</p> <ul style="list-style-type: none"> Maintenance of current social distancing and sanitisation regimes in all Authority workplaces. Remote working for functions that do not require physical presences in Authority workspaces. Risk assess and prioritise non-emergency services requiring physical contact with the public, suppliers, partner agencies etc. Provision of appropriate PPE for staff required to work in close proximity with the public. Appliance / service availability degradation planning. 	<p>11 June 2020 PMB Overall risk assessment indicates high probability but medium impact based on current experience of operating under Covid-19 lockdown conditions. Staff and appliance availability have remained high. However, it has been necessary to scale back non-emergency service provision to the public and divert resources to support other agencies such as the ambulance service with response to the pandemic. PMB recommend that SMB approve this risk for inclusion in the Corporate Risk Register.</p> <p>23 June 2020 SMB Risk and accompanying evaluation approved for inclusion in the Corporate Risk Register.</p>	