



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

Item 20/27

MEETING	Finance & Audit Committee
DATE OF MEETING	17 September 2020
SUBJECT OF THE REPORT	Strategic Risk Register
STATUS OF REPORT	For open publication
PURPOSE OF REPORT	For consideration and approval
EXECUTIVE SUMMARY	<p>This paper provides Members with the latest position of the Strategic Risk Register and associated controls.</p> <p>The Service has added Risk 413 <i>Failure to appropriately work within the requirements and restrictions of the Covid-19 national pandemic</i>, to the Strategic Risk Register following the global coronavirus pandemic and the ongoing impact nationally and locally.</p> <p>As set out in the report, the coronavirus pandemic has also had an adverse impact on other strategic risks namely:</p> <p>Risk 006, <i>Failure to secure financial sustainability that ensures and maintains effective service provision.</i></p> <p>Risk 301, <i>Failure to protect the Service against cyber threats and attacks.</i></p> <p>The Finance & Audit Committee will next review the Strategic Risk Register at its meeting on the 4 December 2020.</p>
RISK ASSESSMENT	Failure to identify, monitor and manage risks may undermine the corporate reputation of the Authority and potentially heighten risk exposure.
COMMUNITY IMPACT ASSESSMENT	None for the purposes of this report

BUDGET IMPLICATIONS	None for the purposes of this report
RECOMMENDATION	Members are asked to: 1. Review the strategic risks and mitigations set out in Appendix A.
BACKGROUND PAPERS	1. Risk Matrix https://www.dwfire.org.uk/wp-content/uploads/2020/08/PRM-5SI-Risk-Appetite-Matrix-V3.0-1.doc 2. Strategic Assessment of Risk https://www.dwfire.org.uk/about-us/who-we-are/service-plans-and-policies/ 3. Community Safety Plan https://www.dwfire.org.uk/about-us/who-we-are/service-plans-and-policies/
APPENDIX	Appendix A – Strategic Risk Register
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1. Introduction

- 1.1 As part of its terms of reference, the Finance & Audit Committee is required to review the Authority's strategic risks on a quarterly basis.
- 1.2 Following the cancellation of the Finance & Audit Committee meeting in July 2020, due to the coronavirus pandemic, these were last reviewed and approved by the Committee on the 5 March 2020.

2. Strategic risks

- 2.1 Risks are managed within the planning, performance and risk management system, Sytle, and monitored at all levels throughout the Service.
- 2.2 All risks are scored using the agreed risk appetite matrix, and risks identified as scoring 15 and above are classified at strategic level.
- 2.3 The strategic risks are reviewed by the Service monthly by the Strategic Leadership Team, where progress against controls are discussed and monitored.
- 2.4 Appendix A, Strategic Risk Register, provides Members with details of the strategic risks, their current and targeted risk ratings and the controls planned to reduce and mitigate the risk to the targeted level.
- 2.5 All risk controls are aligned to the actions within the Service Delivery Plan, which is the Service's mechanism to deliver the Community Safety Plan.
- 2.6 Commentary against the progress of the controls is provided within the quarterly performance reports presented to Members.
- 2.7 Supplementary commentary against the strategic risks is provided on an exception basis, where an issue requires escalation and reporting.
- 2.8 Risk 413 *Failure to appropriately work within the requirements and restrictions of the Covid-19 national pandemic*, was added to the Service's Strategic Risk Register by the Strategic Leadership Team due to the global coronavirus pandemic and the ongoing impact both nationally and locally.
 - 2.8.1 As Members will know from the seminar in June, the Service has been actively involved in both multi-agency Strategic Coordinating Groups, and their sub-groups, within the Service area.
 - 2.8.2 The internal business continuity arrangements have been successfully invoked and the Service has implemented its smarter working arrangements to support staff working from home.

- 2.9 Risk 006 *Failure to secure financial sustainability that ensures and maintains effective service provision* has been updated to show an increasing direction of risk.
- 2.9.1 With the future funding position already uncertain, the potential impacts of the coronavirus pandemic add further complexity and uncertainty for our financial forecasting and development of the Medium Term Finance Plan. Although we have received additional one-off funding of £1.3m to help our immediate response and support for community work, the longer-term financial impacts cannot yet be determined and represents a significant financial risk to the Authority.
- 2.9.2 Undoubtedly the coronavirus pandemic will impact upon the amount of funding the Service receives, particularly through council tax receipt and business rates. We can also expect to see costs increasing in certain areas, such as property repairs and maintenance contracts.
- 2.9.3 With the timing of the Spending Review confirmed as taking place this year, the Service has been engaging with local MP's, the Home Office, and the National Fire Chiefs Council to influence the debate on financial sustainability for fire and rescue services. We currently expect the Spending Review to provide a 3-year funding settlement, although details will not be known until late December.
- 2.9.4 Continued uncertainty over our long-term funding position, including the sustainability of the pensions grant resulting from the national valuation exercise, coupled with the issues highlighted in our Strategic Assessment of Risk, suggests an upward trend in the risk at the current time.
- 2.9.5 The Service is currently reviewing the Medium Term Finance Plan for 2021-22 onwards, including the options to address the forecast budget deficits and how these could be impacted by the coronavirus pandemic. A Members' seminar has been scheduled after the Authority meeting on the 10 December 2020.
- 2.10 Risk 301 *Failure to protect the Service against cyber threats and attack* continues to be closely managed. The Cyber Action Plan is progressing as expected.
- 2.10.1 This risk has also increased due to the increase cyber risk and threats both locally and nationally as a result of the coronavirus pandemic. Work to achieve Cyber Essentials certification, has been slightly delayed due to the coronavirus pandemic and is expected to be delivered by January 2021.
- 2.11 Risk 412 *Failure to sufficiently resource potential changes to the fire safety and building safety regimes* is a new strategic risk resulting from greater clarity now provided on changes to the legislative environment arising from a range of national reviews and inquiries following the Grenfell Tower fire.
- 2.11.1 This risk is being managed via the Service resourcing and savings programme.

3. Summary and key points

- 3.1 Officers will continue to review these risks on a monthly basis and a progress report will be brought to the Finance & Audit Committee at its next meeting on the 4 December 2020.

September 2020