

Annex C - Corporate Risk Register – as at 2 July 2019 SMB

Corporate Risks

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	HML			
CRR 014.4 Staff Availability Emerging risks of 1/ industrial action due to pension change or pay dispute; 2/ Staff inability to get to work due to external factors e.g. Pandemic Flu, disruption to fuel supplies etc. 3/Impact of transformation at pace on attraction of new staff, retention and overall workforce stability.	COO / POD Dir.	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. • Project on Strategic Review of Operational Resourcing is underway with a number of work-streams, including On-Call and Geographic station reviews • Growth bids to be considered to support future resourcing demands. 	A	<p><u>13 February 2018 SMB</u> A review of the extant Career Development procedure, is currently being undertaken. Whilst it is anticipated some amendments will be necessary, these will not in any way be detrimental in continuing to raise standards.</p> <p><u>21 June 2018 PMB</u> A coordinated programme of apprenticeships recruitment, replenishment of promotional development pools for Crew through to Group Commander level, with the accompanying mandatory training requirements and progressing a small number of transferees in to balance experience is on track.</p> <p>The risk of losing operational staff at different levels continues, particularly with LFB who offer London weighting allowance. The position is being closely monitored and modelled into medium term workforce plans</p> <p><u>23 October 2018 SMB</u> The recruitment plan for 2019 to refresh the workforce during a period of predicted peak retirements. Is approved. A fourth tranche of Fire Fighter Apprentices are planned for Q1 2019 20 supplemented by a small number of experienced transfers as required. The transferees' numbers can flex depending on any LFB recruitment impacts and/or unplanned leavers.</p> <p><u>12 February 2019 SMB</u> Apprenticeships recruitment programme completed with 16 Fire Fighter apprentices to be in place by end March 2019.</p>
		Failure to discharge statutory duties.	(5)	(4)	(20)	(H)			
		Loss of critical knowledge / skills / capacity /competency levels.	(4)	(3)	(12)	(M)			
			(5)	(3)	(15)	(H)			
			(4)	(3)	(12)	(M)			
			(5)	(3)	(15)	(H)			
			(3)	(3)	(9)	(M)			
			4	3	12	M			

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							<ul style="list-style-type: none"> • Head of Service delivery is working with SC's to review reward options • HR are reviewing the future promotion and career development options • Competent temporary SC's substantiated without full IFE (December 2017) and a review of impact on Watch and Crew will be taking place December 2107. • Full suite of appointments planned for 2018 	<p>Development Centre programme to ensure talent pipeline, succession requirements and resilience in place scheduled – 29 April 2019</p> <p>On-Call attraction programme underway utilising the recently launched national awareness campaign.</p> <p><u>16 April 2019 SMB</u></p> <p>The outcome of the recent FBU ballot on the Employer's pay offer was discussed and noted. No change to the current risk assessment and RAG status was recommended at this time albeit that a watching brief will be maintained to ascertain any potential risk of industrial action arising.</p> <p><u>14 May 2019 SMB</u></p> <p>No change to risk score. However, this will be reviewed again in light of any decisions taken at the upcoming FBU conference following the outcome of the ballot in which FBU members rejected the employer's pay offer.</p> <p><u>2 July 2019 SMB</u></p> <p>The FBU have put employers 'on notice' of a potential trade dispute with the possibility of industrial action following their members' rejection of a pay proposal from the employers. – 58% of FBU members took part in the ballot to reject the offer.</p> <p>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.</p> <p>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.</p>
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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 3% 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 2015-20 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 £12.	R	<p>5 June 2018 SMB</p> <p>The Authority has not received any reassurance regarding the long-term viability of USAR grant funding. There is also no clarity as to the level of any pay-award, and whether or not amounts above 1% will be funded centrally or not. Concerns around levels of funding and current uncertainty were raised with the Home Office during a conference call discussing 'Fire Risk and Demand'. There is currently a forecast budget deficit of £440k for 2019-20. If the level of Council Tax surpluses seen in previous years is forthcoming, and if the local business rates pool continues for a further year, the Authority could conceivably set a balanced budget for 2019-20 by restricting non-pay inflationary rises and not approving any other budget increases. Any other non-budgeted increases or overspends could be covered by reserves for one-year (although this would impact on future investment). After 2019-20 the Authority should have a better indication of future funding, as the outcomes of the upcoming Comprehensive Spending Review and Fair Funding Review will be published. Until then, the risk is to remain as 'Red'.</p> <p>18 September 2018 SMB</p> <p>In addition to the risks noted at 5 June 2018 SMB, further information has been received in relation to employers' contributions to the firefighter's pension scheme (a risk originally anticipated</p>
			(3)	(4)	(12)	M			
			(3)	(4)	(12)	M			
			4	4	16	H			

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								<p>following the Budget in 2016). In a written statement to the House of Commons (on 6 September 2018) it was noted that ‘early indications are that the amount employers pay towards the [unfunded pension] schemes will need to increase’. The Budget 2016 set out a reduction in the anticipated discount rate used to calculate employer contributions, but the latest statement indicates the reduction in the rate will be even greater, which would lead to even higher employer contributions. The Authority was expecting an increase, but until full valuation results are published, it is not known whether the amount allowed for in the MTFP will be sufficient.</p> <p><u>23 October 2018 SMB</u></p> <p>Initial valuation reports indicate that the average employer contribution rate for the firefighter’s pension scheme will increase from 17.6% to 30.2% from 1 April 2019. The estimated additional cost to the Authority is £1.6m per year. For 2019-20 the Treasury will fund the majority of this amount, leaving a net increase of approximately £150k for the year. An amount greater than this had already been set aside following the announcement in the Budget 2016. No additional funding has been confirmed for 2020-21 and this will need to form part of the sector’s bid within the Comprehensive Spending Review process.</p> <p>The Home Office have commenced an engagement with NFCC on the future of USAR from 2024, when the current USAR assets reach the end of their expected operational life. Four proposed options range from no change through to a reduction in the total number of teams/ units by up to 36%. The</p>
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<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. 	<p>(4) 3</p>	<p>(4) 4</p>	<p>16 12</p>	<p>(H) M</p>	<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; 	<p>A</p>	<p>23 October 18 SMB</p> <p>SMB discussed a recent data breach that had occurred at Sodexo who provide an online employee benefits facility for Authority employees resulting in employees who have joined the scheme being targeted with spam emails. Also, a report of a recent break-in at a fire station was received. SMB noted the steps being taken to investigate these incidents and identify any additional measures that can be taken to avoid similar in the future. It was agreed that neither incident was at a level that would require an immediate change to the risk score at this point but that this would be reviewed again in light of any further findings. Earlier this year a breach of one of our servers, not connected to the network, was swiftly eradicated and a report was made to "Action Fraud" (part of the National Cyber Crime Unit). To mitigate further attempts on any of our systems we have been working in collaboration with the Police Cyber Security Advisor of the South East Regional Organised Crime Unit to deliver cyber training (free of charge) to the Strategic Management Board. Future events will be arranged for other employee groups.</p> <p>12 February 19 SMB</p> <p>The National Fire Chief's Council are gathering data on behalf of the Home Office regarding cloud-hosting of FRS data outside of the UK.</p> <p>Our records indicate that we do not have data hosted outside of the UK. However, there is no identified risk to the Authority for data to be hosted in the European Economic Area or in a</p>

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							<p>- Premises Security Group re-established to meet on a three monthly basis aligned to the PMB meeting schedule.</p>	<p>country with an adequacy decision (e.g. Canada).</p> <p>16 April 19 SMB Although the majority of Authority data that is cloud-hosted is hosted in the UK, the biggest risk to cloud-hosted data is not the retrieval of personal information from the European Economic Area (EEA) but the configuration of the cloud storage itself. In 2018, more than 70 million records were stolen or leaked from poorly configured S3 buckets (1) as off-the-shelf web tools can identify misconfigured cloud resources. Any arrangements for new hosting must be evaluated in terms of the value and risk of the data stored.</p> <p><i>(1) Simple Storage Service - a scalable, high-speed, web-based cloud storage service designed for online backup and archiving of data and applications.</i></p> <p>14 May 2019 SMB A recent i-Trent report highlighted a small number of potential security issues. These have been reviewed and actioned and it is confirmed that the measures now in place are satisfactory. No change to risk score.</p> <p>11 June 2019 SMB The Head of Service Development advised that a targeted attempt to access the Authority's systems had been identified. These were frustrated by current defences but a review of password security has been instigated to provide additional assurance.</p>
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Risk of physical disruption to Service operations due to UK withdrawal from the EU without a formal exit agreement (the so-called 'No Deal Brexit'.	Heads of Service Development and Delivery.	Disruption to procurement processes leading to potential shortages of equipment or consumables. Disruption to transportation delaying personnel and or vehicle movements.	4	2	8	M		<p>12 February 2019 SMB Service business continuity plans will be reviewed and updated in light of any localised requirements arising from the ongoing work of the NFCC and TVLRF in relation to EU exit risk evaluation and mitigation planning.</p> <p>Initial risk score remains appropriate given ongoing potential for a 'no deal' Brexit with high likelihood of low / medium impact on the Authority in the short term.</p> <p>The main risks to the Authority are more likely to arise over the medium to long term from the fiscal effect of Brexit and any potential impact on funding streams – especially from central government. These are scenario dependent, as yet unknown, and will be considered within the funding and savings risk when more is known about the likely impact any EU exit arrangements</p> <p>16 April 2019 SMB On 5th April 2019) Prime Minister Theresa May wrote to the EU to request another short extension until the 30th June. It is unlikely the EU will provide a short extension, but could provide a 'flex-tension' where a longer date is given up to March 2020 but at the point of a deal (any point earlier) the exit could happen. The Prime Minister has agreed if the UK were in the EU on the 23rd May, MEP elections would take place. MHCLG have advised to still plan for a 12th April 2019 no deal until it is off the table.</p>	

