

REVIEW OF THE CORPORATE RISK REGISTER

REPORT OF THE CHIEF FIRE OFFICER

**For Information**

1. PURPOSE OF REPORT

- 1.1 To review the Cleveland Fire Authority's Corporate Risk Register as attached at **Appendix 1**

2. RECOMMENDATIONS

- 2.1 That Members note Cleveland Fire Authority's Corporate Risk Register, as attached at Appendix 1.

3. BACKGROUND

- 3.1 Cleveland Fire Authority has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness, thereby implementing the principles and responsibilities of effective corporate governance arrangements.
- 3.2 In discharging these responsibilities, the Authority is responsible for ensuring that there is a sound system of internal control including robust arrangements for the identification, assessment and management of risk.
- 3.3 The system of internal control is designed to manage risk efficiently, effectively and economically to an acceptable and reasonable level and thus contribute in the achievement of the vision of the Authority. The risk management process is designed to identify, assess and evaluate the risks and allow actions to be implemented that will reduce the likelihood of the risk occurring or if the risk does occur to minimise its impact.
- 3.4 The Authority has approved a risk management framework consisting of a policy, a detailed procedure, a risk management toolkit, a suite of risk registers and a detailed Community Risk Profile underpinned by a suite of community risk assessments. This framework was approved by Members in 2018 and then communicated to all managers and staff.

- 3.5 The Corporate Risk Register (CRR) is the tool used to identify the strategic threats and risks to the achievement of the Authority's vision. It evaluates the risk and summarises the control measures identified to reduce these risks. The CRR therefore informs the strategic and financial planning processes of the Brigade.
- 3.6 The Authority's current Corporate Risk Register is maintained dynamically, however on a regular basis there is a full review of the register which further strengthens the Authority's governance arrangements.

4. CORPORATE RISK REGISTER

- 4.1 The approved Corporate Risk Register is regularly reviewed to ensure it reflects the current situation regarding existing and potential risks the Brigade could face.
- 4.2 In May 2023 a review of the Corporate Risk Register was undertaken by the Active Risk Team, a forum that is made up of the Brigade's Heads of Service followed by a review of the Corporate Risk Register and the wider environment by the Executive Leadership Team. As part of this process, information from the Cleveland Local Resilience Forum and the National Risk Assessment has been taken into consideration.
- 4.3 The outcome of the review has resulted in a number of changes to the Corporate Risk Register.
- 4.4 In summary the changes to the Corporate Risk Register are;

- **New and Emerging Risks:**

No new / emerging risks identified

- **Changes to existing Risks:**

PO4: Industrial Action: National Issues around pay awards may lead to intermittent or on-going and sustained periods of industrial action thus leading to service disruption and the ability of the brigade to discharge its full duties effectively.

Reduce risk from 12 (High) to 6 (Medium).

Rationale: The settlement of the Grey Book pay claim has resulted in a reduction of the level of risk associated with industrial action for those staff employed under grey book terms and conditions. However the 2023/24 pay award for Green Book staff has been rejected by the relevant unions with the potential for future industrial action. Our business continuity arrangements for industrial actions indicate that any such industrial action by green book members of staff poses a risk to the organisation but to a lesser extent than industrial action by firefighters. Thus the risk of industrial action is proposed to be retained on the Corporate Risk Register but a lower risk rating.

E02: Pension Reforms: Pension Reform and remedies as a result of outcomes from significant litigation claims relating to age discrimination and the less favourable treatment of part-time workers may incur substantial financial pressure and extensive increased workloads.

Reduce risk from 16 (High) to 9 (High).

Rationale: Although the Pension reforms is likely to have a significant financial impact on the Brigade, financial modelling has been undertaken to assess the likely financial impact of the reforms and appropriate provisions made within the Brigades Medium Term Financial Plan. Information from the Head of Finance and Procurement indicates that no additional financial pressures over and above what is identified are expected to occur from these pension reforms. It is recommended that the risk assigned to this is reduced to 9 (High risk) from its original rating of 16 (High).

CU01: Public Perception:

(a) Reword risk to “The Independent Review of cultural issues in London Fire Brigade and various media reports into staff behaviour in other fire and rescue services has turned a spotlight onto the prevalence of a negative workforce culture across the fire sector. This matter has the potential to create significant reputational damage for the Service, including Cleveland Fire Brigade. This risk could adversely affect the effectiveness and efficiency of the Authority/Brigade.”

(b) Risk Rating: Increase risk rating from Medium Risk to High risk

Rationale: The Brigade prides itself on having a good reputation with the public which assists us in delivering our services in an effective manner. During 2022 a number of independent reports were published that do not portray the fire and rescue service in a good light resulting in a spotlight report on the Values and Culture of Fire and Rescue Services being produced by the HMICFRS. This report resulted in a significant number of recommendations to implement.

These reports on the back of a number of other similar reports in previous years may have cumulative impact of adversely impacting the perception of the public on the Brigade and their willingness to engage with the service. There may also potentially be an impact staff recruitment and retention within the service. The cumulative impact of these impacts may prevent the Brigade in discharging its duties efficiently and effectively.

An existing risk around public perception of the Fire and Rescue Services has been in the Corporate Risk Register since 2022. It is proposed to reword the risk to place more emphasis on the recently published HMICFRS spotlight report on cultural issues in the Fire and Rescue Service.

Due to the increased spotlight on the Fire and Rescue Services coupled with the service having to implement the range of HMICFRS recommendations arising from its spotlight report it is proposed to increase the risk from Medium to High Risk.

- **Risks to be Deleted from CRR**

SO3: Social Rest and Public Disorder: Current widespread industrial action may lead to social unrest and increases in public disorder which may prevent the Brigade in discharging its duties efficiently, effectively and safely.

Rationale: the widespread industrial action, although continuing in certain sectors, has not manifested into significant levels of public disorder and / or anti-social behaviour. Even though industrial action is continuing in certain sectors it is proposed that the risk is remove from the Corporate Risk Register and monitored through directorate risk registers.

- **Risk Mitigating Actions:**

Additional actions to mitigate the likelihood and / or impact of the identified risks have been identified and incorporated into the body of the Corporate Risk Register.

- 4.5 These changes have been incorporated into the body of the Corporate Risk Register attached as **Appendix 1**.
- 4.6 The Assistant Chief Fire Officer Strategic Planning and Resources will ensure that the Corporate Risk Register is monitored through the approved risk management arrangements. Specifically, this involves submitting the CRR for information to the Audit and Governance Committee on a regular basis and that the Committee will report to the Authority any matters it deems to be of a significant nature.

IAN HAYTON
CHIEF FIRE OFFICER

KAREN WINTER
ASSISTANT CHIEF FIRE OFFICER
STRATEGIC PLANNING & RESOURCES