Report to	**Executive Panel**	
Date	**17 June 2024**	
Lead Officer	**Stewart Forshaw, Deputy Chief Fire Officer**	
Contact Officer	**Anthony Jones, Head of Corporate Planning**	
Subject	**Strategic Risk Management**	

PURPOSE OF REPORT

1   To provide Members with an update on the content of the North Wales Fire and Rescue Authority's (the Authority) strategic risk register in accordance with the Strategic Risk Management Policy.

EXECUTIVE SUMMARY

2   Departmental plans for 2023/24 have been reviewed for Q3 and Q4 by heads of department including risks associated to the delivery of their objectives after mitigation. These risks have been scored 1-25, categorised as Very High, High, Medium and Low and collated into a combined list of 67 departmental risks.

3   Following these reviews, no new Very High risks have been identified. However, one new High risk has been identified (PPE Supply Chain) and added to the register and one High risk has reduced to Medium High due to a reassessment of the impact score.

4   To collate the Strategic Risk Register, the 67 departmental risks have been grouped into nine themes in Fig1. which mirror the departmental score to identify the cumulative risk to the organisation.

RECOMMENDATION

5   That Members note the identified strategic risks that are facing the Authority following the end of year review.

BACKGROUND

6   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".

7   The Authority's Strategic Risk Register identifies 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.

8   Under this policy, the Executive Panel receives a summary report on strategic risks at least twice a year. Between times, the Chair and Deputy Chair of the Authority are able to view the full detail of the register with officers.

9   The Strategic Risk Register records both current risk levels and future risk levels (based on an assumption that planned countermeasures will have had the desired effect).

INFORMATION

10   Officers continue to review and update the risk register, adding, removing and re-scoring risks as appropriate. As a minimum this is undertaken during the quarterly updates to departmental plans.

IMPLICATIONS

Well-being 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 legislation that define its functions and how it operates.
Staffing	No specific implications identified.
Equalities/Human Rights/ Welsh Language	No specific implications identified.
Risks	Mitigations seek to minimise the likelihood of risk occurring,

Strategic Risk Register

A total of 67 risks are included in Departmental Plans for 2023/24 which are collated into nine themes which form the basis for identifying their overarching risk to the organisation:

Risks from Departmental Risk Registers for 2023 -2024 grouped into Strategic Themes.

STRATEGIC RISK REF	PRIORITY SCALE	VERY HIGH	HIGH	MEDIUM HIGH	MEDIUM LOW	LOW	TOTAL FROM DEPT. PLANS
	SCORE	20-25	12-16	08-10	4-6	1-3	
	STRATEGIC RISK THEME						
1	Cyber attack	1	3	0	0	0	4
2	Financial	0	3	11	1	2	17
3	Climate	0	0	0	0	0	0
4	Legal	0	0	3	0	0	3
5	Reputational	0	0	3	1	0	4
6	Response	0	0	2	5	0	7
7	Staffing resource	0	4	13	5	1	23
8	Supply chain	0	1	2	0	0	3
9	IT systems	0	1	2	3	0	6
TOTALS		**1**	**12**	**36**	**15**	**3**	**67**

Fig.1
Details of the Very High and High risks and their countermeasures are as follows:

Very High Risk	Countermeasures
Cyber-attack on information, communication and technology	- Continual monitoring of global threats and review of cyber security defences - CE accreditation achieved. (Cyber Essentials - a Government backed scheme that protects organisations, against a range of the most common cyber-attacks.) - Endeavour to attract personnel with the requisite skillset to support compliance with best practice - Conduct preventative maintenance and review resilient technologies

The 17 high level risks identified by departments in relation to delivering their objectives are grouped within the four strategic risk themes below and are likely to remain at high, despite the below countermeasures.

High Risk	Countermeasures
Impact of climate change, including demand on resources and environmental challenges with estate and vehicles.	- Governance structure in place to monitor and report - Environment and sustainability strategy in place
Financial challenges arising from insufficient funds to deliver core services or to maintain risk-critical systems. This includes risks linked to pension changes following recent rulings and the impact of changes following revocation of EU law	- Budget already allocated in the capital programme with all variations to be approved by the SPOC - All wales technical lead for pensions to be appointed to support the senior pensions officer to process changes arising from the pension's legislation changes with audit process in place - Continue collaboration of partnership work with NWFRA - Continue dialogue with Welsh Government and Local Authorities particularly around grant funding. - Ensure business continuity plans are in place and regularly reviewed. - Monitor changes to employment law that could impact on increased budget pressure following revocation of EU law

Recruitment and retention of sufficient staff to maintain service delivery with specific challenges around maintaining emergency response cover in rural areas	• Develop and implement improved, effective and efficient response standards through the emergency response review project. • Proactively recruit on rural stations with continuous efforts to recruit the right staff in the right place to provide cover at the right time • Prioritisation of workloads and upskilling/training of staff • Mentoring and coaching staff where possible to enhance resilience • Work to reduce single points of success and knowledge silos including continuing to recruit against vacancies. • Review lessons learned from planning for industrial action in 2022/23 • Ensure business continuity plans are in place and regularly reviewed covering loss of staff in all departments • Monitor changes to employment law that could impact on increased budget pressure following revocation of EU law
Disruption or loss of IT systems bespoke to departments and/or the wider service	• Work to ensure there are replacement contracts with suitable suppliers to maintain systems and migrate to alternatives • Ensure all relevant staff are suitably and sufficiently trained • Ensure business continuity plans are in place and regularly reviewed.

Risk is defined as a combination of the likelihood and consequences of hazardous events.
Likelihood: the chance of something happening. May be described by the probability, frequency or uncertainty of events.
Consequence: The outcome of an event. Specifically, the severity or extent of harm caused by an event.

Risk Matrix

LIKELIHOOD	1 Insignificant	2 Minor	3 Moderate	4 Significant	5 Major
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

CONSEQUENCE

Value	Priority scale	Action
1-3	Low	Action is not essential as the risk is minor. Consider removing it to a service-level risk register.
4-6	Medium low Risk is tolerable	Ensure that reasonable practicable controls are in place. Consider removing it to a service-level risk register.
8-10	Medium high Risk is moderate	Action should be planned to reduce the risk.
12-16	High Risk is substantial	Urgent action should be planned, with clear allocation of responsibility and reporting, with strict deadlines imposed.
20-25	Very high Risk is intolerably high	Urgent and immediate action should be taken, suspending other activity or bringing in additional support if necessary until risk mitigation has taken place.