Agenda
Item: 9a

SCOTTISH
FIRE AND RESCUE SERVICE
Working together for a safer Scotland

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**
Report No:	**C/ARAC/24-16**
Date:	**12 OCTOBER 2016**
Report By:	**SARAH O'DONNELL, DIRECTOR OF FINANCE AND CONTRACTUAL SERVICES**

Subject:	**REVIEW OF CORPORATE RISK REGISTER**

1 PURPOSE

1.1 The purpose of this report is to provide the Audit and Risk Assurance Committee with an update on the Corporate Risk Register (CRR) and to provide an outline of work now planned to fully revise the CRR.

2 RECOMMENDATIONS

2.1 The Committee is asked to note the content of the report.

3 BACKGROUND

3.1 The Audit and Risk Assurance Committee is responsible for advising the Board and Accountable Officer on the arrangements for risk management and has oversight of the Service's CRR.

3.2 The Strategic Leadership Team (SLT) have responsibility for the identification and management of strategic risk and will ensure that the risk register presents a fair and reasonable reflection of the most significant risks impacting upon the organisation. The SLT will champion the importance of risk management in supporting the achievement of the Service's strategic aims and objectives.

3.3 The CRR is integral to the Service's risk management and governance arrangements and provides a profile and record of the significant risks facing the organisation. The CRR is supported by Directorate and Project Risk Registers, identifying the significant risks impacting upon each Directorate of the Service.

4   CORPORATE RISK REGISTER UPDATES

4.1   The register identifies 15 Corporate Risks and appendix 1a & 1b to this report provides a copy of the revised register and associated action plan.

4.2   Following a review by each risk owner no new risks have been added to the register and no changes to the current assessments have been made.

4.3   The Corporate Risks have been assessed based upon the controls currently in place and the Service recognises that it cannot entirely eliminate risk from service provision, with a residual risk always likely to remain.

4.4   The development of Risk Appetite (RA) impact assessments has introduced an additional layer of scrutiny to the registers. Whilst focus will always be maintained on high level risks, RA allows additional scrutiny of lower priority risks and requires responsible officer to maintain awareness and ownership of these areas. At this time 5 risks sit above the Services RA and responsible officers are aware of this position:

- CR4 - there is a risk to Scottish Fire and Rescue Services (SFRS) where it fails to harmonise pay and grading structures.
- CR5 – there is a risk to SFRS where it fails to meet statutory obligations;
- CR7 – there is a risk to SFRS if it fails to secure financial sustainability;
- CR13 – there is a risk to SFRS where it fails to adopt effective governance arrangements; &
- CR14 – there is a risk to SFRS where it fails to demonstrate best value.

5   FULL REVIEW OF CORPORATE RISK REGISTER

5.1   The current CRR is aligned to the SFRS 2013-2016 Strategic Plan. With the 2016-2019 draft plan now being finalised the CRR needs to be updated to reflect our revised values and priorities.

5.2   The framework being developed for the review process will ensure engagement with SLT and Board Members to identify areas of strategic risk. Prior to these meetings separate sessions will be held with Deputy Assistant Chief Officer's and Heads of Function to inform the review process, integrating Directorate risk registers with the corporate process. Meetings will be held over September and October culminating in a Board/SLT workshop in November 2016.

5.3   Aligned to the review of the risk register, Board and SLT members will be asked to review the organisations risk appetite. This work will utilise the revised corporate register and will be undertaken as part of the November workshop.

5.4 The Audit & Risk Assurance Committee has responsibility for advising the Board and Accountable Officers on the strategic processes for risk, control and governance. A report on the revised corporate risk register and risk appetite will be forwarded to the Committee on 11 January 2016 and subject to any revision, a subsequent report will then be submitted to the Board, prior to the start of the new financial year.

6 ENTERPRISE RISK MANAGEMENT

6.1 The CRR is produced in line with the risk management framework and as part of our overall governance arrangements. Considerable progress has been made in the development of these systems from 2013 but no system can identify and manage all aspects of risk that an organisation may be exposed to. It is important therefore that the Service can provide assurance that the systems of controls currently in place are adequate and operating effectively.

6.2 SFRS Directorates demonstrate annually that control frameworks are in place as part of the annual assurance process. However, whilst these systems are in place individually it is recognised that we need a method of review to ensure that the controls are not only being actively deployed but that they are also collectively achieving their intended aims and supported by a suitable communications framework.

6.3 Enterprise risk management is the term used to bring together these linked but individual systems of control. It is an ongoing process impacting across each level of the organisation, adding value to decision making and awareness. Whilst the risk management framework provides a systematic process enterprise risk management is designed to look across the service at the interdependencies and how we share experiences and information.

6.4 SFRS needs to have assurance that we have established systems of control that are effective, understood and being used. To provide this assurance the SLT has agreed that we will now undertake a health check/gap analysis of our risk and assurance frameworks and discussions are being held with Zurich Municipal to undertake an independent review.

6.5 Initial discussions have been held with Zurich to develop a proposal for the initial gap analysis in relation to our risk management arrangements. The review will map controls against the three lines of defence framework used within the annual governance and assurance process:

- 1st line – functions that own and manage risk:
- 2nd line – functions the oversee risk; &

- 3rd line – functions that provide independent assurance.

6.6 The output of the review will be presented to the Board/SLT attaching a proposed action plan to remedy any agreed areas of risk.

6.7 It is planned that this work will be completed prior to the risk workshop in November 2016 with the output able to be used to inform the new corporate risk register.

7 EMPLOYEE IMPLICATIONS

7.1 There are no employee implications directly associated with this report.

8 FINANCIAL IMPLICATIONS

8.1 In relation to Enterprise Risk Management a scoping document for the health check is being finalised with Zurich Municipal at an anticipated cost of £7,000 plus VAT.

9 LEGAL IMPLICATIONS

9.1 There are no legal implications directly associated with this report.

10 EQUALITY IMPACT ASSESSMENT

10.1 There are no equality impact assessment implications directly associated with this report.

Sarah O'Donnell
Director of Finance and Contractual Services

12 October 2016

Risk Ref. No.	Link to Annual Operating Plan	Date Identified	Risk Appetite Category	Risk Description	Consequence of Risk	Control Measures In Place	Risk Assessment			Previous Risk Rating	Risk Appetite	Risk	Risk Owner
							Probability	Impact	Risk Rating		Impact Assessment	Movement	
CR - 4	**Strategic Aim 4** - Develop a culture of continuous improvement (Develop a high performing workforce)	24 July 2014	Legal	**There is a risk to SFRS where it fails to harmonise pay and grading structures.** Failure to harmonise pay and grading structures and terms and conditions of employment within a reasonable timescale may lead to grievance, disengaged staff and equal pay claims. The Service requires the active participation and engagement of staff to achieve the anticipated outcomes of the Pay and Reward Project.	Impact upon our ability to successfully defend equal pay claims - loss of reputation - increased scrutiny - (negative) media attention - impact on our ability to attract and retain good quality staff - impact on our ability to maintain good employee relations - impact on our ability to manage employee costs/ operate within revenue budget.	Project in place to harmonise pay and grading arrangements; supported by communications strategies and consultation, negotiation and scrutiny arrangements (via Board, SLT and Representative Bodies) - employee and line manager engagement - oversight provided by the Service Transformation Programe - scrutiny through External Audit - internal scrutiny through Committee framework and Internal Audit, which links to the Scottish Government and Ministerial performance reporting (annual review of public bodies). Budgetary and financial controls in place, with associated frameworks and procedures	3	4	12	12	3	→	Diane Vincent
CR - 5	**Strategic Aim 1** - Improved safety of our communities and staff - Ensure a safe and effective response to operational incidents; **Stategic Aim 3** - Improved outcomes through partnerships - work in artnership with communities; **Strategic Aim 4** - Develop a culture of continuous improvement - Develop an innovative structure that enables us to deliver highly valued and effective services; Minimise the impact of our activities on the environment	24 July 2014	Legal / Compliance	**There is a risk to SFRS where it fails to meet statutory obligations.** The Service is subject to significant areas of legislation placing considerable requirements upon the organisation. This includes, the Fire (Scotland) Act 2005, Health & Safety at Work Legislation, Environment Legislation, Equality Legislation, the Data Protection Act, the Freedom of Information (Scotland) Act and Procurement Legislation.	Reputation of Service negatively impacted - adverse public scrutiny - fines and penalties imposed where reaches occur - impact upon operational attainment - loss of morale within the workforce	Board Scrutiny of SFRS activities; Dedicated functional areas that consider the broad range of legislation that SFRS needs to comply with and develop policy accordingly; Effective management arrangements in place to oversee legislative compliance. Legal Services team established. An Environmental Strategy was agreed by the Board in November 2014 and will now be implemented across the Service. A Records Management Policy was published on 2nd March 2015 to ensure compliance in relation to the Public Records act.	3	4	12	12	3	→	Alex Clark
CR - 7	**Strategic Aim 4** - Develop a culture of continuous improvement (Develop an innovative structure that enables us to deliver highly valued and effective services)	24 July 2014	Financial	**There is a risk to SFRS if it fails to secure Financial Sustainability.** SFRS faces the challenge of reducing spending while protecting and/or enhancing the services it provides. The service needs to set out a clear financial strategy, supported by the leadership team, and effectively communicated within the organisation	Loss of political support - additional levels of internal and external scrutiny - impact upon ability to achieve performance targets - negative media coverage and damage to reputation	Budgetary and financial controls are in place with associated frameworks and procedures that includes monthly reporting to the Scottish Government, engagement with the Board, SLT, Committee's and employee representative bodies. Internal and external governance arrangements have been established and longer term financial planning undertaken to ensure identified savings can be achieved against matched funding. A Performance Review was undertaken by Audit Scotland and the Service received an unqualified opinionfor the 2014/15 audited annual accounts. Resource and Capital budgets have been approved for 2015/16 and reported to the Scottish Government.	3	4	12	12	3	→	Sarah O'Donnell

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CR - 8	**Strategic Aim 4** - Develop a culture of continuous improvement (Develop a high performing workforce)	24 July 2014	Operational	**There is a risk to SFRS where it fails to attract and retain staff with the appropriate skills.** The Service needs to support and motivate staff through the transition period developing, and where necessary sourcing externally, the additional skills and capacity required to deliver the needs of the Service. Challenges exist in attracting suitably skilled staff in a range of disciplines and geographical areas. Staff face uncertainty over pay and grading structures, locations of work and working practises.	Impact upon ability to deliver our service and subsequent loss of reputation - failure to comply with statutory duties and legal responsibilities - impact on our ability to achieve performance targets - impact on our ability to deliver the benefits of reform - loss of employee advocacy and damage to our reputation as an employer of choice.	Communications strategies - consultation, negotiation and scrutiny arrangements (via Board, SLT and Representative Bodies) - POD policies and procedures in support of service transformation - employee and line manager engagement - workforce planning arrangements - performance management arrangements - oversight provided by the Service Transformation Programe - scrutiny through External Audit - internal scrutiny through Committee framework and Internal Audit, which links to the Scottish Government and Ministerial performance reporting (annual review of public bodies). Change management plans have been developed and implemented to support the programme of organisation change. Work completed to develop and implement the SFRS Working Together Framework and now be subject to ongoing review. Support Staff Pay and Reward Framework now in place underpinned by a market allowances policy and procedures.	4	3	12	12	5	→	Diane Vincent
CR - 1	**Strategic Aim 1**: To improve the safety of communities and staff. **(AOP Aims 1 and 2**: Ensure a safe and effective response to incidents) **R&R Obj 5**: Assurance	24 July 2014	Operational	**There is a risk to SFRS where it fails to maintain and improve the safety of communities and staff.** Where the Service fails to develop and adhere to safe and effective operational practises this could lead to possible operational failures resulting in death or serious injury within communities or to staff.	Potential injury to stakeholders and/or staff - breaches in relevant legislation and associated litigation, fines and penalties imposed upon the Service - impact upon attainment of operational priorities - adverse media scrutiny - potential FIA's and resulting impact upon perception and reputation of organisation	Implementation of a standardised and formal approach to operational assurance in place. Operational Assurance Forums, supported by policy and procedures which ensure the monitoring of operational performance and identification of trends and issues locally, nationally, UK-wide and beyond. The Operational Assurance process has been reviewed and reinvigorated and now sits within the Safer Firefighter function within the R&R Directorate	3	4	12	12	5	→	Lewis Ramsay
CR - 2	**Strategic Aim 2:** To provide more equitable access to fire and rescue services. **AOP Aims 1 and 2:** Ensure a safe and effective response to incidents **R&R Obj 1:** Operational Response	24 July 2014	Operational	**There is a risk to SFRS where it fails to standardise and align resources, taking account of national and local factors.** SFRS brought together 8 different legacy service arrangements which managed and allocated resource to risk differently. SFRS needs to align available resources to identified areas of risk to ensure we maximise the benefit gain, minimising the risk to our employees and communities.	Failure to deliver an effective and efficient service - reduced level of service integration - failure to meet statutory obligations - legal challenge against organisation - adverse level of scrutiny	Projects to examine existing arrangements for command and control integration, and for emergency cover in terms of fire stations, appliances and specialist resources. Project Plan and Team working to specify, tender for and procure a single Command and Control system. The first two phases of the agreed Control Room rationalisation programme have been completed with the merger of Dumfries with Johnstone forming the West Regional Control and the merger of Maddiston, Edinburgh and Thornton forming the East Regional Control Room. The Specialist Resources Review report was forwarded to the Board in Janaury 2015 and approved. Project to implement the Specials Review commenced May 2015 and is progressing well.	3	4	12	12	5	↗	Lewis Ramsay

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CR - 3	**Strategic Aim 4** - Develop a culture of continuous improvement (Develop a high performing workforce)	24 July 2014	Operational	**There is a risk to SFRS where succession planning arrangements are not fully developed.** A significant number of uniformed staff will reach retirement age over the next fews years and may leave the organisation. A review of current structures and succession planning arrangements is required to ensure that any resulting gaps in skills and knowledge can be addressed.	Inability to adequately resouce incident command system - loss of knowledge and skills - failure to maintain adequate levels of service provision - loss of strategic overview - adverse impact upon reputation	Resourcing team and workforce planning arrangements in place to identify potential turnover and create plans to deal with emerging gaps. Engagement with Scottish Government, Board and Chief Officer to develop specific succession plans for SLT. Programme of work in place to develop longer term succession planning arrangements for the SFRS. Plans for SLT re-structure and additional Gold Command support in place.	3	4	12	12	5	→	Diane Vincent
CR - 6	**Strategic Aim 1** - Improved safety of our communities and staff (Work with partners in developing safer communities and improved outcomes) **Strategic Aim 4** - Develop a Culture of Continuous Improvement (Develop an innovative structure that enables us to deliver highly valued and effective services)	24 July 2014	Legal / Compliance	**There is a risk to SFRS where it fails to meet performance targets set within both the Strategic Plan and the Annual Operating Plan.** The Service has established performance targets against which it will be measured. Ownership of these targets needs to be developed within Directorates, led by senior management, and supported by all staff.	Adverse scrutiny by Scottish Government and regulators - negative perception held of organisation - poor reputation and impact upon levels of staff morale - inability to demonstrate effective levels of service delivery	Approval of Corporate Planning and Performance Management Framework March 2014. Implementation of quarterly performance reporting to Board and SLT. SFRS has established a Senior Management Team to support the strategic direction of the Service and to identify and learn from best practise. The Performance Improvement Forum has also been created. Its main responsibilities are to coordinate quarterly reporting against the Annual Operating Plan, and activities to address recommendations following external audits and inspections of the Service. Progress of the group is reported through SMT and SLT, with scrutiny being provided by the Audit & Risk Assurance and Performance Committees of the Board. A performance indicator catalogue has been created on the Performance Sharepoint site, enabling effective management and reporting of performance data.	4	3	12	12	3	→	Mark McAteer
CR - 12	**Strategic Aim 1** - Improved safety of our communities and staff. **Strategic Aim 2** - More equitable access to fire and rescue Services. **Strategic Aim 4** - Develop a culture of continuous improvement.	24 July 2014	Political	**There is a risk to SFRS where the Transformation programme fails to achieve its stated objectives.** A significant Transformation Programme is being undertaken with linked interdependencies and risks. These projects are subject to defined timelines and are being undertaken during a significant period of change which could impact upon staff morale and engagement with the Service. Where a project(s) fails to achieve the expected outcome the reputation of the Service will be under scrutiny.	Failure to deliver service priorities - reduced levels of service integration - failure to achieve organisational improvements - additional levels of internal and external scrutiny - negative reputation retained within communities	The Service Transformation Committee provides oversight and direction on the development and achievement of the SFRS Transformation Programme and Benefits Realisation Plan. A Programme Board, with a SRO, has been established to manage the design, set-up and delivery of the programme, providing assurance reports to the Committee. A Programme Manager leads the overall programme, supported by individual project managers, and provides regular progress reports to the Programme Board. The overall programme is subject to annual internal audit reviews and external audits in the form of a Gateway Review. the Gateway Review assesses likelihood of delivery and provides recommendations to assist progress. A system of operational assurance has been embedded across Scotland as an essential element in securing public and firefighter safety.	3	3	9	9	4	→	Alex Clark

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CR - 10	**Strategic Aim 1** - Improved Safety of our Communities and staff. (Work with partners in developing safer communities and improved outcomes / Ensure a safe and effective response to incidents) **Strategic Aim 4** - Develop a culture of continuous improvement (Deliver a high performing workforce)	24 July 2014	Legal	**There is a risk to SFRS where it fails to learn lessons from experience, notable practise and innovation.** If the Service fails to act as a learning organisation and implement notable practise, it may impact the health, safety and welfare of local communities, employees and the effectiveness of the organisation.	potential impact upon the health, safety and welfare of communities and staff - breach of statutory objigations - adverse media and external scrutiny - fines or penalties imposed upon the organisation	SFRS gathers information on new and emerging risks and responds by amending its approaches, policies and systems of work to ensure statutory compliance. This approach is organised through the Strategic and Annual Operating Plan.

The Service monitors and reviews all fires, fatalities and casualties, including those of significant interest occuring outwith the SFRS, on a regular basis.

SFRS's Operational Assurance Board is established and active. The Board is cross Directorate, meets every 2 months, with a primary remit to ensure that there is a collective effort to ensure continual improvement in respect of safety in service delivery.

An established Performance Improvement Forum is in place which manages and monitors agreed actions to progress recommendations made within reports following external inspection and scrutiny of the Service.

Each Directorate's objectives within the AOP, and their own annual plan, include any actions necessary to improve performance, based on findings and recommendations from a range of reports. | 3 | 3 | 9 | 9 | 3 | ➡ | Robert Scott (David McGown) |
| CR - 11 | **Strategic Aim 1** - Improved safety of our commuities and staff (Work with partners in developing safer communities and improved outcomes) **Strategic Aim 3** - Improved outcomes through partnerships (Make partnership working an integral part of our business) | 24 July 2014 | Reputational | **There is a risk to SFRS where communication and engagement with partners, at both National and Local Levels, fails to deliver on identified priorities.** The Service engages with local communities and partner organisations to agreed priorities, ensuring that both national and local priorities can be effectively managed, appropriately resourced and funded. This planned allocation of resources can however be impacted by additional responsibilities being placed upon the Service without adequate funding being agreed or where local protocols are not agreed and expectations and resource requirements differ between partner organisations. | Failure to strengthen levels of engagement between SFRS and stakeholders - adverse scrutiny of service - failure to deliver best value | The Police and Fire Reform (Scotland) Act 2012 identifies a duty to involve LA's in determining priorities and objectives of SFRS. The appointment of Deputy Assistant Chief Officers in the 3 SDS's together with a number of new LSO's, to be appointed in February/March, will support better engagement with the 32 Local Authorities. Regular meetings with Chief Executives and partner agencies is continuing and local authority liaison officers (LALO's) ensure effective day to day lines of communication are maintained. A new Business Engagement Form framework 2015-18 together with a business plan and action plan have been developed and agreed. These documents will go live as of 1st April 2015 and assist in strengthening the links between SFRS and Scotland's business community. The development and publication of a Corporate Communications Strategy, the creation of a Local & Stakeholder Engagement Committee, Staff and Stakeholder Community Planning development events and completion of the Engagement Framework (on behalf of LSEC Committee) all ensure active engagement and communication with partners continues to deliver on identified priorities. | 3 | 3 | 9 | 9 | 4 | ➡ | Alex Clark |

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CR - 13	**Strategic Aim 4** - Develop a culture of continuous improvement (Develop an innovative structure that enables us to deliver highly valued and effective services).	24 July 2014	Legal / Compliance	**There is a risk to SFRS where it fails to adopt effective governance arrangements.** There is a need to provide effective leadership and governance to ensure the Service is managed effectively, developing a culture of trust and co-operation, during the period of reform and beyond.	Increased risk of fraud against the Service - failure to demonstrate adequate systems of control - increased financial loss - adverse levels of internal and external scrutiny	Board scrutiny of SFRS activities and policies; Audit & Risk Assurance Committee established; internal and external audit arrangements in place and providing assurance on activities of the Service; anti-fraud initiative in place; Cultural Audit has been undertaken. Board support arrangements in place. The Performance Improvement Forum has been created. Its main responsibilities are to coordinate quarterly reporting against the Annual Operating Plan, and activities to address recommendations following external audits and inspections of the Service. Progress of the group is reported through SMT and SLT, with scrutiny being provided by the Audit & Risk Assurance and Performance Committees. A performance indicator catalogue has been created on the Performance Sharepoint site, enabling effective management and reporting of performance data. Annual Report and Accounts produced each year. Annual Governance Statement prepared by the Accountable Officer (Chief Officer). Code of Corporate Governance being developed.	2	4	8	8	3	→	Mark McAteer
CR - 14	**Strategic Aim 4** - Develop a culture of continuous improvement (Develop an innovative structure that enables us to deliver highly valued and effective services)	24 July 2014	Financial	**There is a risk to SFRS where it fails to demonstrate Best Value.** The Police and Fire Reform (Scotland) Act 2012 and the Scottish Public Finance Manual detail arrangements to secure best value, demonstrating continuous improvement. The Service must ensure that it makes effective and efficient use of public funds, operating within its budget, whilst maintaining and enhancing service provision.	Loss of political support - additional levels of internal and external scrutiny - inability to ensure financial sustainability - impact upon ability to achieve performance targets - negative media coverage	Budgetary and financial controls in place, with associated frameworks and procedures that include the Board and other representative bodies - Performance management arrangements - operation of a charging policy - oversight provided by the Service Transformation Programe - Scrutiny through Audit Scotland and External Audit - internal scrutiny through Committee framrwork and Internal Audit, which links to the Scottish Government and Ministerial performance reporting (annual review of public bodies) - Performance Review undertaken by Audit Scotland - Production of audited annual accounts for 2013/14 in line with reporting requirements. Resource and Capital budgets have been approved for 2015/16 and reported to the Scottish Government. Procurement Strategy approved by Board in July 2015. Since April 2013 there has been a net reduction in the cost of running SFRS by c.11%, alongside positive performance improvements.	2	4	8	8	3	→	Sarah O'Donnell
CR - 9	**Strategic Aim 1**: Improved safety of communities and staff. **R&R Obj 1**: Operational Response	24 July 2014	Operational	**There is a risk to SFRS where industrial action impacts our ability to deliver an efficient and effective service.** Planned industrial action continues to present challenges to the Service. Uncertainty over any future escalation in this action could impact the ability of the Service to achieve its statutory and non-statutory functions.	Impact upon operational effectiveness - poor staff morale and engagement - impact upon provision of statutory duties	Robust contingency arrangements in place with partner agencies to ensure a level of service can be maintained - monitoring and provision of tactical plans can be implemented as required	3	2	6	6	5	→	Lewis Ramsay

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CR - 16	**Strategic Aim 4** - Develop a culture of continuous improvement (Develop an innovative structure that enables us to deliver highly valued and effective services)	Feb-15	Financial	**There is a risk to SFRS if the national procurement process to provide a replacement Emergency Services Network fails to deliver a cost effective, fit for purpose solution.** This procurement is currently ongoing and requires to meet the varying needs of approximately 100 emergency service organisations across the UK, as well as those of the 3 devolved administrations and the Home Office. Implementation and ongoing costs at this stage are unknown however the current solution represents a significant and increasing proportion of SFRS's Resource Budget as overall resources fall.	Impact upon long terms financial sustainability of SFRS, reduced operational effectiveness	SFRS are represented at senior level on the project and SFRS interests are represented within UK discussions by the Scottish Government. A Strategic Lead and Financial Adviser have been appointed and attend regular cross service meetings with the Business Change Lead and the Programme Director for the 3 Scottish Emergency Services. Scottish Government is aware of the impact for the 3 Emergency Services of any change from the existing cost profile for this operational functionality. ESMCP update provided to the Board in July 2015.	3	2	6	6	3	→	Sarah O'Donnell

Corporate Risk Register – Action Plan

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR4	There is a risk to SFRS where it fails to harmonise pay and grading structures.	**Diane Vincent**	**ABOVE RISK APPETITE – CONSIDER FURTHER ACTIONS REQUIRED**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Develop and implement a pay and reward framework which supports the harmonisation of employee terms and conditions of employment.		(1) Complete; subject to consultation and negotiation.		Support staff framework complete; Uniform terms and conditions is ongoing. Uniformed T&Cs negotiations continuing and cross referenced to the work and negotiations on a new duty system for WT firefighters (November 2017).
(2) Implement a single HR/Payroll system that will rationalise payroll provision and will enable better information to support workforce planning and provide more timely and accurate information on our people.		(2) Initial phase March 15; full implementation Mar 16.		The HR/Payroll system is now implemented and project is in process of closing. There remains a number of items within the project still to be delivered. These were considered for BAU however, they are not ready to hand over to BAU and the timeline is under review.
(3) Develop arrangements and contingency plans to underpin the formal "failure to agree" process (business continuity arrangements, formal consultation process with T.U.s, additional staff communication/consultation)		(3) Complete		A collective agreement was reached on 1st Nov 15.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR5	There is a risk to SFRS where it fails to meet statutory obligations.	**Alex Clark**	**ABOVE RISK APPETITE – CONSIDER FURTHER ACTIONS REQUIRED**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Continue to review operational procedures, practices and guidance in use and establish a number of SOPs and embrace national risk assessments and best practice		(1) Ongoing		Work continues to be progressed and a focus placed upon the introduction of new legislative requirements which could impact upon the operations of the Service. Ie. Procurement Legislation.
(2) Implement the SFRS environmental strategy to ensure environmental legislative responsibilities are met		(2) Strategy published but ongoing implementation		The Environmental Strategy update was provided to the Board in April 2016 and the new Environmental Officer too up post in February 2016. The Legal Services Manager is in post and a new SFRS Solicitor took up post in May 2016.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR7	There is a risk to SFRS if it fails to secure Financial Sustainability.	**Sarah O'Donnell**	**ABOVE RISK APPETITE – CONSIDER FURTHER ACTIONS REQUIRED**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Monthly monitoring, forecasting and reporting of 2015/16 financial performance		(1) Ongoing		
(2) Publish a long term Financial Strategy in line with Audit Scotland recommendations		(2) March 2016		An initial presentation has been provided at a Board Strategy session. Positive meetings have been held with Scottish Government and Audit Scotland and a draft document is being prepared for discussion. SFRS will actively contribute to the Government's Spending Review/Budget Setting process. The initial work has been shared with senior managers through the LEAD programme.
(3) Complete the Phase 3 elements of the new Finance System Implementation		(3) Ongoing		
(4) Develop Resource and Capital budgets for 2016/17 approved by the Board and notified to Scottish Government		(4)COMPLETE		Whilst there has been no overall change to the risk rating the Capital Budget allocated to SFRS for 2016/17 has impacted asset investment and will continue to be monitored closely throughout the year. Board budget papers were approved in March 2016.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR8	There is a risk to SFRS where it fails to attract and retain staff with the appropriate skills	**Diane Vincent**	**BELOW RISK APPETITE**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Support the design and implementation of the SFRS Working Structure.		(1) Complete		New management action required around workforce plan in support of the 2016-19 Strategic Plan.
(2) Develop a succession planning model to ensure that the necessary levels of knowledge, skills and experience are maintained across the SFRS.		(2) May 2016	• Agree principles of an SFRS framework with the Board and SLT (complete) • Develop an action plan (complete) • Report on progress to SLT and Staff Governance (ongoing).	SLT re-structure completed in Q4 and DACO appointments made. Succession planning workshops held with managers from across the SFRS to review key elements of the framework in support of the workforce plan. As per response to CR8- Succession planning is one of the key priorities for the POD Directorate and Functional plans for 16/17.
(3) Develop and implement organisational change management plans to support the programme of organisational change.		(3) Complete		
(4) Develop and implement a plan to embed the SFRS Working Together Framework across the SFRS.		(4) Complete and subject to ongoing review		
(5) Ongoing review of pay and reward framework in support of staff retention and recruitment e.g. market supplements, review of organisational structure etc.		(5) Complete and subject to ongoing review		New action to keep under review.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR1	There is a risk to SFRS where it fails to maintain and improve the safety of communities and staff.	**Lewis Ramsay**	**BELOW RISK APPETITE**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Continue to review operational procedures, practices and guidance in use and establish a number of Standard Operating Procedures that embrace national risk assessments and best practice.		(1) ongoing action		SOPs and other supporting documents are continually being reviewed, developed and promulgated.
(2) Develop and implement an effective recording system for Operational Intelligence and establish an appropriate procedure for the gathering of information.		(2) June 2016		A review of work by the OI project has been undertaken to ensure that the outcomes satisfy the needs of the organisation. The review is complete and an implementation plan developed.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR2	There is a risk to SFRS where it fails to standardise and align resources, taking account of national and local factors.	**Lewis Ramsay**	**BELOW RISK APPETITE**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Options report for future disposition		(1) September 2016		The findings of the Emergency Cover Review (ECR) and the implementation plan for the Review of Specialist Equipment (RoSE) have both been assessed to ensure they remain fit for purpose. The ECR has been passed to Service Transformation for further consideration whilst the RoSE project has entered the implementation phase.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR3	There is a risk to SFRS where succession planning arrangements are not fully developed.	**Diane Vincent**	**BELOW RISK APPETITE**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Design and implement the SFRS Working Structure.		(1) Complete.		New management action required around workforce plan in support of 2016-19 strategic plan.
(2) Develop a succession planning model to ensure that the necessary levels of knowledge, skills and experience are maintained across the SFRS.		(2) May 2016	• Agree principles of an SFRS framework with the Board and SLT (complete) • Develop an action plan (complete) • Report on progress to SLT and Staff Governance (ongoing).	SLT re-structure completed in Q4 and DACO appointments made. Succession planning workshops held with managers from across the SFRS to review key elements of the framework in support of the workforce plan. As per response to CR8- Succession planning is one of the key priorities for the POD Directorate and Functional plans for 16/17.

Risk Ref	Risk	Risk Owner	Risk Appetite		
CR6	There is a risk to SFRS where it fails to meet performance targets set within both the Strategic Plan and the Annual Operating Plan.	**Mark McAteer**	**BELOW RISK APPETITE**		
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**		**Responsible Officer Comments**
(1) Carry out statutory review of strategic plan 2013 - 16 - this action from 2014/15 is ongoing. The review of the Strategic Plan 2013-16 will form part of the Strategic Plan 2016-19 Development Programme.		(1) Complete			The review was successfully completed and submitted to the Board for approval in September 2015 as planned.
(2) Develop a new SFRS Strategic Plan 2016-19		(2) October 2016			The new SFRS Strategic Plan 2016-19 has been developed and widely consulted upon. The plan has been amended as a result of this consultation and has been informally presented to the SLT and Board. This is now in the process of being presented formally, following which it will be sent to the Scottish Government for Ministerial approval and subsequent laying in parliament.
(3) Develop analytical techniques to enhance performance reporting and publish our analyses in media formats to suit users		(3) Complete			A statistical analyst has been appointed to the Performance Data Services Team, which will increase the analytical capacity within the SFRS.

			The latest annual statistical bulletins are continuing to be published by the SFRS, supported by a secondment from the Scottish Government. The Quarterly Performance Reporting format is currently being revised to ensure this continues to meet the needs of SMT, SLT and the Performance Committee.
(4) Implement our enhanced Incident Recording System. DCLG have as yet been unable to secure a new provider. The national project is therefore delayed and so implementation is on hold.	(4) March 2016 (On hold)		Responsibility for the National IRS project has transferred to the Home Office and SFRS awaits further information. Resources are in place to meet the needs of the project, ensuring a smooth transition to the system once in place.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR12	There is a risk to SFRS where the Transformation programme fails to achieve its stated objectives.	**Alex Clark**	**BELOW RISK APPETITE**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Fully implement a Management Information System that captures all relevant Prevention and Protection activity to enable sharing of and learning from data.		(1) Completed		
(2) Continue to review operational procedures, practices and guidance in use and establish a number of Standard Operating Procedures that embrace national risk assessments and best practice.		(2) March 16		This action remains ongoing.
(3) Develop and implement an effective recording system for Operational Intelligence and establish an appropriate procedure for the gathering of information.		(3) Ongoing for 16/17 Annual Operating Plan		A review of work by the OI project will be undertaken to ensure that the outcomes will satisfy the needs of the organisation. An initial pilot is underway and early results are positive. The review is ongoing and will be completed by June 2016.

The core and specialist skill training standards are complete; these will be kept under review. |

(4) Review operational training and safe working practices to develop and implement standardised training frameworks and associated delivery plans.	(4) April 2016		Total of 10 of 17 frameworks now produced, on track for completion April 2016.
(5) Develop a strategic approach to National risk reduction	(5) Ongoing		Work is ongoing and linked to Service Redesign
(6) Implement the agreed outcomes from the review of all specialist resources across Scotland, in order to ensure more equitable access based on risk.	(6) March 18		The Review of Specialist Equipment Programme is well established with regular meetings held to discuss progress, challenges and plans for our specialist resources.
(7) To ensure a robust and resilient Command and Control provision create a Project Plan and Team to specify, tender for and procure a single Command and Control system and complete the 2nd and 3rd phases of the agreed Control Room rationalisation programme.	(7) December 2016		A major milestone was achieved when the newly refurbished control room was opened at Tollcross. This has now been operating successfully following closure of Maddiston and Thornton controls. Work continues at Dundee, using the lessons learned from the successful work done in the West and East, to deliver a Regional Control Room for the North by the end of 2016.
(8) Co-ordinate and manage the maintenance of a multi-agency asset register to improve coordination of service delivery and deliver the goal of being the champion of specialist rescue for Scotland.	(8) March 2016		System development is now underway with a dedicated ICT resource committed to completion by end of the financial year.
(9) In support of the Service Leadership Team, design and implement the SFRS Working Structure.	(9) Complete		Overall this objective is complete; A new management action required around workforce plan in support of the 2016-19 Strategic Plan.

(12) Deliver agreed programme of works projects within agreed tolerances in relation to the Strategic Intent Project.	(12) March 2018		Managing our asset portfolio continues to be a significant challenge. All key programmes, such as the roll out of new Breathing Apparatus and rationalisation of our Property Portfolio (Strategic Intent), are progressing as planned. Tollcross Control has now been fully completed and the Newbridge SDA HQ is on track to fully open in May. Dyce and Central Upgrades are on target for September / October 2016, Claverhouse is on target for Oct 16 and McAlpine Road has an anticipated completion date of early 2017.
(13) Fully implement a single HR/Payroll system that will rationalise payroll provision and will enable better information to support workforce planning and provide more timely and accurate information on our people.	(13) March 2016		HR payroll system is 'live' and all staff information loaded. Work is continuing as per the project plan to complete the in scope actions. There remains a number of items within the project still to be delivered. These were considered for BAU however, they are not ready to hand over to BAU and the timeline is under review.
(15) Deliver all ICT projects, including capital and transformation projects within agreed programme.	(15) Ongoing		The Digital Steering Group has agreed a 2016/17 workplan and provides oversight for the programme. Resource constraints still exist and continue to be monitored.
(16) Further develop a structure that enables effective management and reporting of performance data.	(16) Ongoing		All elements complete except full automation of Qlikview systems are currently on hold due to pressures on the ICT team.

(20) Through engagement and collaborative working, develop and implement a SFRS Continuous Learning Framework.	(20) April 2016		The development and implementation of the SFRS Continuous Learning Framework is directly linked to the development of training standards frameworks for all roles. For operational requirements this is on track and the LEAD programme continues to be rolled out across the SFRS. However work on wider career progression/development gateways has experienced delays due to staff vacancies. This means this objective will be carried forward into the 2016-17 plan.
(21) Develop and implement a SFRS Corporate Improvement Strategy that will provide a robust procedure through which the SFRS can continually learn to become more efficient and effective.	(21) March 2016		A Service Improvement Manager is now in place and we are on track to appoint an Improvement Officer by March 2016. Good progress is being made and a draft strategy is in preparation, subject to current structural changes.

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR10	There is a risk to SFRS where it fails to learn lessons from experience, notable practise and innovation.	**ROBERT SCOTT**	**BELOW RISK APPETITE**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Through engagement and collaborative working, develop and implement a SFRS Continuous Learning Framework (AOP 4.2.1)		Dec 2016		The development and implementation of the SFRS Continuous Learning Framework is directly linked to the development of training standards frameworks for all roles. For operational requirements this is on track and the LEAD programme continues to be rolled out across the SFRS. However work on wider career progression/development gateways has experienced delays due to staff vacancies. This means this objective will be carried forward into the 2016-17 plan.
(2) Develop a process to ensure feedback from fire investigations can positively influence wider SFRS and partners' practices aimed at improving fire fighter and community safety (AOP 1.3.1)		Mar 2017		On-going, and on track, for completion by target date

(3) Embed the 'safer firefighter' principles within the Response and Resilience Directorate, driving improvements in operational crew safety through enhanced delivery of operational assurance and operational intelligence arrangements (AOP 1.6.2)	Mar 2017		On-going, and on track, for completion by target date

Risk Ref	Risk	Risk Owner	Risk Appetite	
CR11	There is a risk to SFRS where communication and engagement with partners, at both National and Local Levels, fails to deliver on identified priorities.	**Alex Clark**	**BELOW RISK APPETITE**	
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**
(1) Develop and implement a plan to embed the SFRS Working Together Framework		(1) Complete and subject to ongoing review		
(2) Engagement Framework Implementation Plan to be forwarded to SRFS Board in September 2015		(2) Ongoing		Scoping work on an SFRS Employee Engagement Framework is underway for progression as an action during 2016/17.
(3) Senior Officer local engagement with Local Authority Leaders, Chief Executives, Scrutiny Committees and Community council networks		(3) Ongoing		
(4) The process to recruit a Head of Engagement and Communications will conclude in December 2015		(4) Complete		This process is now complete with the post holder now in place.
(5) The LSO Development Day will be reinvigorated and rebadged as a Senior Strategy Day for all DACO's, Heads, AMs and equivalents to ensure corporate alignment of priorities and to maximise engagement opportunities		(5) Ongoing		

Risk Ref	Risk	Risk Owner	Risk Appetite		
CR13	There is a risk to SFRS where it fails to adopt effective governance arrangements.	**Mark McAteer**	**ABOVE RISK APPETITE – CONSIDER FURTHER ACTIONS REQUIRED**		
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**	
(1) In support of the Service Leadership Team, design and implement the SFRS working structure.		Complete		Interim SFRS Workforce Plan and associated action plan developed and approved by SLT. Systems in place and Workforce Panning forum established. Systems are no maturing and providing a structured process.	
(2) Further develop a structure that enables effective management and reporting of performance data.		(2) Ongoing throughout 2016/17		A statistical analyst has been appointed to the Performance Data Services Team, which will increase the analytical capacity within the SFRS. An LSO dashboard has now been implemented and is available to 50 named users at present. The Quarterly Performance Reporting format is currently being revised to ensure this continues to meet the needs of SMT, SLT and the Performance Committee.	

(3) Develop and implement a SFRS corporate improvement strategy that will provide a robust procedure through which the SFRS can continually learn to become more efficient and effective. (Research that has been conducted points to the possibility that a combined improvement and knowledge strategy could be of more value to the Service. Combining the two approaches has led to a delay in completion. A working draft has been developed and will be subject to wider engagement to ensure the feasibility of this approach.)	(3) Ongoing throughout 2016/17		Following the decision to implement the new 'checklist approach' to self-assessment, the implementation of this approach was undertaken by a trial process in 2015. This enabled Service Improvement to positively respond to two requests for bespoke checklist self-assessments (ARAC and East SDA). The Lessons Learned from this trial are being considered and a Corporate Improvement Strategy will be developed and implemented by end December 2016.

Risk Ref	Risk	Risk Owner	Risk Appetite		
CR14	There is a risk to SFRS where it fails to demonstrate Best Value.	**Sarah O'Donnell**	**ABOVE RISK APPETITE – CONSIDER FURTHER ACTIONS REQUIRED**		
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**	**Responsible Officer Comments**	
(1) Monthly monitoring, forecasting and reporting of 2015/16 financial performance		(1) Ongoing			
(2) Develop Resource and Capital budgets for 2016/17 approved by the Board and notified to Scottish Government		(2) complete		The SFRS Board approved 2016/17 budgets in March 2016.	
(3) Implement a SFRS Asset Management Strategy and a supporting suite of policies and procedures that allows us to understand the condition and suitability of physical assets base, ensure legislative compliance and target investment opportunities to secure public value		(3)June 2016		The SFRS draft Asset Management Strategy is complete and will be aligned the SFRS Long Term Financial Strategy.	
(4) Publish a Strategic Plan covering the period 2016-2019 and publish a long term financial strategy in line with Audit Scotland recommendations		(4) October 2016		In relation to the strategic Plan an extensive engagement programme was successfully held over the summer of 2015, covering national and local stakeholders. The results were submitted to the Engagement Committee and the Staff Governance Committee, and were used to inform direction for the plan.	

Risk Ref	Risk	Risk Owner	Risk Appetite		
CR9	There is a risk to SFRS where industrial action impacts our ability to deliver an efficient and effective service.	**Lewis Ramsay**	**BELOW RISK APPETITE**		
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**		**Responsible Officer Comments**
(1) Review agreed memos of understanding with partner agencies to ensure continued availability of support		(1) Ongoing			No further update at this time.

Risk Ref	Risk	Risk Owner	Risk Appetite		
CR16	There is a risk to SFRS if the national procurement process to provide a replacement Emergency Services Network fails to deliver a cost effective, fit for purpose solution.	**Sarah O'Donnell**	**BELOW RISK APPETITE**		
Agreed Management Actions (linked to Strategic and Annual Operating Plan)		**Target/Completion Date**	**Additional Actions Still Required**		**Responsible Officer Comments**
(1) Updates will be provided to Board and SLT at key points in the programme with briefings as part of Board development days already delivered.		(1) Ongoing			No significant update at this time.