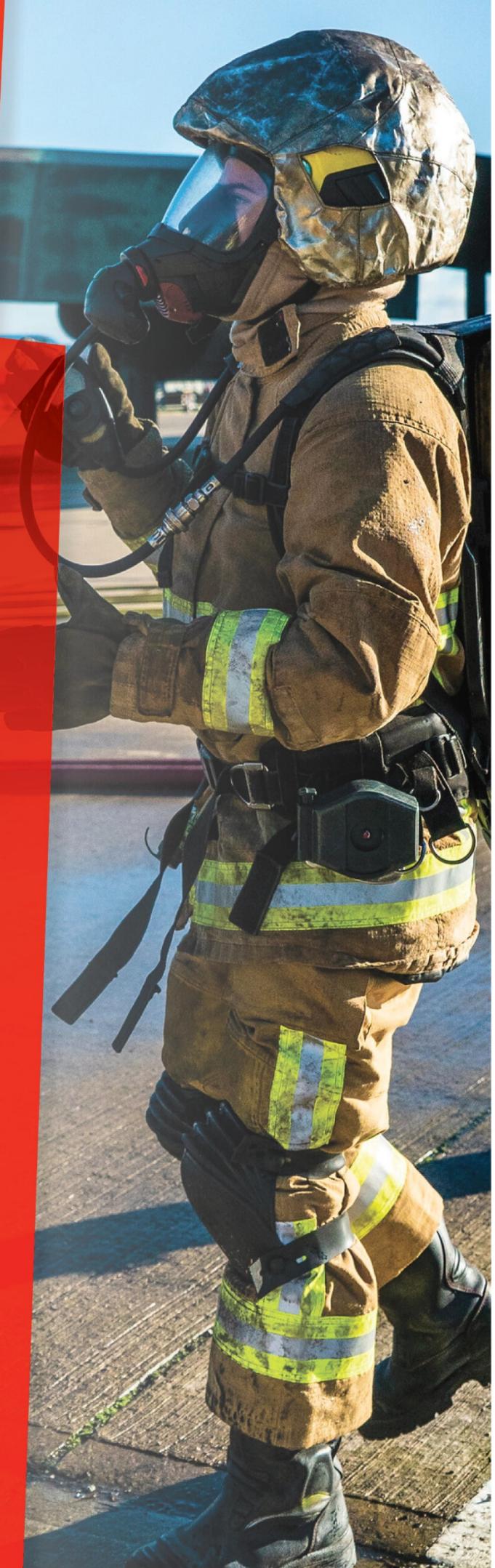




Annual Risk Management Report

2021-22

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Risk Management - Overview

1. Risk Management is how Cheshire Fire and Rescue Service (CFRS) identifies, quantifies and manages the risks it faces as it seeks to achieve organisational objectives. It is fundamental to governance and contributes greatly to the successful delivery of CFRS activities and key priorities.
2. Responsibility for Risk Management at Member level has been delegated to the Performance and Overview Committee. The Authority appoints two Risk Management Member Champions who attend Risk Management Board (RMB) twice a year.
3. RMB meetings are scheduled every six months and chaired by the Chief Fire Officer and Chief Executive. Having valuable and up to date risk information enables RMB to function effectively. RMB is also responsible for promoting and supporting compliance with the Risk Management Policy and for managing and overseeing the Strategic Risk Register.
4. The Terms of Reference for RMB is reviewed annually and was last presented to RMB in March 2022. [See Annex 2]
5. The Risk Management function for Fire and Police is facilitated by the Planning Performance and Risk team, which is part of the Joint Corporate Services (JCS).
6. Since March 2020, a significant amount of risk management focus has been on the ongoing work related to the COVID 19 Pandemic. CFRS resources have and will continue to be impacted by the Pandemic for some time to come which suggests that additional risk management activity may be required to ensure that any new and evolving risks are identified and mitigated.

Risk Management Process

7. The risk management framework is the guide that sets out how CFRS identifies, manages and monitors risks. The approach to managing risk is outlined in the Risk Management Policy [see Annex 1].
8. A full review of the Risk Management Policy and Practitioners Guide was undertaken in 2020 and the next review is scheduled for 2023.
9. In summary, the risk management process is broken down into the following 4 steps:



10. All risks are recorded on comprehensive risk registers in the Cheshire Planning System (CPS), and it is these registers that are used to generate risk information across the organisation.

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11. Risks are identified at two levels, **Departmental** and **Strategic**. There is a direct link between the two risk levels. Where an individual or group of operational risks start to have an impact on delivery of corporate objectives consideration is given to escalating a risk to the Strategic Risk Register.

Departmental Risks – These risks tend to be dynamic and subject to change. They are identified as part of day to day business but also as part of the annual corporate planning cycle. Risks are identified, assessed, reviewed, and mitigated by the Heads of Department on a regular basis. Any risks scoring **15** or above will be considered for escalation to the Strategic Risk Register.

Strategic Risks –These risks are overseen by RMB and inherently carry a higher impact level as they affect multiple services and or the organisation's ability to achieve its corporate objectives .

12. In order to understand the scale of risks a common risk scoring matrix is in place and embedded in the policies for both Fire and Police:

15-25	Red – these risks are within the upper limit of risk appetite controls and should be explored to bring risk down.
9-14	Amber – these risks do not pose an immediate threat but should remain under regular review.
Below 8	Green – these are low level risks and are monitored less frequently.

Quarterly Risk Register Reviews

13. Quarterly risk register review meetings continue to take place and are facilitated by the Planning, Performance & Risk team with every Head of Department (HoD) in Fire and Joint Corporate Services. These meetings provide an opportunity to:

- Consider any new risks
- Determine if current risks are still valid
- Ensure that risk descriptions reflect the current risk
- Assess risk scores
- Assign mitigating actions
- Identify any risks that can be closed or need to be escalated

Deep Dive Reporting

14. The following thematic reports have been presented to RMB:

- COVID 19 Interim De-brief Report
- On Call Availability Update
- Fire Pension increase in employers contribution
- McCloud/Sergeant Judgement
- Prince's Trust Funding

Risk Maps

15. RMB members receive the current Fire Risk Map at every meeting. This offers a visual high level overview of all CFRS organisational risks mapped out by each department, which also provides an opportunity for Board members to ask questions regarding any of the risks and seek further clarity if required. [See Annex 3].

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Risk Champions

- 16.** CFRS has appointed departmental joint Risk Champions. The Champions receive additional training so that they can support the promotion and implementation of effective risk processes. A Risk Champions event was scheduled for January 2021 but due to COVID 19 this was postponed and a new date will be scheduled for 2022.

Risk Management Governance

- 17.** Risk information is reported to RMB every six months. It reviews and refreshes the Strategic Risk Register to ensure that risks are being consistently identified, assessed, escalated and closed when required. RMB also monitors implementation of actions to treat/mitigate the risk to an acceptable level.
- 18.** Strategic Risks take some time to respond to risk treatments and by their very nature are complex. Some of the risk scores have remained static for some time despite intervention. The table below illustrates the changes to the Service's key risks since last reported:

No	Risk	Opened	Closed	Risk Score increased or reduced	Escalated to SRR	De-escalated
1	Fire in Iconic Heritage Buildings			Reduced March 21		
2	Competing Demands on Resource and achieving MTFP		Oct 21			
3	Future Funding Uncertainty	Oct 21 Superseded 2 above				
3	COVID 19			Reduced March 21		
4	Media communications at large incident		Feb 22			
5	Unable to secure future funds for housing programme		Feb 22	Reduced March 21		
6	ESN National Programme				Oct 21	
7	Sprinklers high rise premises		Nov 21			
8	External Audit Market	March 21	Feb 22			

Risk Management Training

- 19.** The Planning Performance and Risk team delivered training to Members of the Fire Authority in February 2021 and October 2021 as part of the Member Development Programme. Feedback after these events has been extremely positive with Members keen to enhance their understanding of the risk management arrangements. Risk management training for relevant staff can be requested through Learning & Development if required for the role.

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- 20.** The Planning, Performance and Risk team has continued to facilitate ad-hoc training during 2021 when requested. An accredited two day course was delivered in March 2021 by the Police insurers Gallagher Bassett RMP; places were offered to Fire staff and a number of delegates did take up the opportunity.

Risk Management Assurance

- 21.** An audit of the Service's risk management process was included in the audit plan for 2020-21; this was finalised by MIAA in January 2021. The audit was awarded High Assurance with only 2 low level recommendations identified which are now complete. The auditors MIAA also maintain a watching brief of our risk management arrangement through attendance at RMB.
- 22.** The Annual Governance Statement (AGS) is a key feature of the Service's annual accounts. It is a document which is intended to provide assurance publicly regarding the management and controls which are in place in relation to risk management.

COVID 19- Response

- 23.** In March 2020, the UK went into the first of two national lockdowns as a result of rising cases of COVID 19. The response to the COVID 19 Pandemic has required all organisations to operate in a different way to 'business as usual'. The Service maintained robust and flexible management processes to ensure the continued delivery of services.
- 24.** The Covid 19 SMT group met twice weekly during the whole of 2020 moving to weekly in 2021. The Service's response to the C19 Pandemic was categorised by four organisational principles that were agreed at the outset:
- Minimum numbers of staff on duty at any time
 - Minimum contact between members of staff
 - Minimum movement between our Fire stations
 - Maximum hygiene to be observed at all times

The Service adapted working practices during the Pandemic, developed a specific Covid-19 business continuity plan and have completed an interim debrief into its response.

- 1.** Throughout the Pandemic absence levels have remained manageable. However, the height of the Omicron variant coinciding with the Christmas 2021 annual leave period proved to be challenging. As the omicron strain of C19 receded in the spring of 2022, the Service will reviewed its ongoing approach to the Pandemic whilst considering changes to government guidance.

HMICFRS Covid-19 inspection

- 25.** In August 2020, HMICFRS was commissioned by the Home Secretary to inspect how fire and rescue services in England are responding to the Covid-19 pandemic.
- 26.** Cheshire Fire and Rescue Service received positive feedback with HMICFRS stating "the service has effectively carried out its statutory functions during the pandemic". It was impressed by how the service looked after the welfare of its staff, and the additional support it gave to the community during the first phase of the pandemic.

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Annual Review of Crisis Management Plan

27. RMB has responsibility for reviewing the Service Crisis Management Plan on an annual basis. A verbal update on the Crisis Management Plan was provided by the Operational, Support, Risk, Research and Development Lead in March 2021.
28. Business continuity exercises are planned and a full test of the Crisis Management Plan is due to take place in 2022. The emphasis will be on the notification, cascade and membership of the group. Business Continuity Plans (BCPs) for all Joint Corporate Services teams have been reviewed in 2021/22 and a schedule of review and testing has been approved for 2022-23.
29. CFRS works closely with Cheshire Resilience Forum partners as part of the Civil Contingencies Act 2004. Although responding to flooding and other water related incidents is not a statutory requirement under the Fire and Rescue Services Act 2004, the Service does undertake regular exercising with other Category 1 and 2 responders for recognised risks within Cheshire including those which are flooding related.

Next Steps

30. In order for risk management to remain relevant and valuable, it must be updated and maintained. The actions below will be our focus for 2022-23:
 - Continued ongoing discussions in the development of an e-learning package with Learning & Development, overseeing the risk management process in a more interactive and effective environment for risk practitioners;
 - Risk Champions Group – work with OP&A on supporting training events postponed due to COVID.
 - Improve Risk Register recording on Cheshire Planning System to facilitate full self-serve for users.
 - Review of Risk Management Framework in 2023

Background Information

Annex 1 – Risk Management Policy - (2020)	 Final Risk Management Policy 2
Annex 2 – Risk Management Board Terms of Reference	 RMB Terms Of Reference 2021-22.d
Annex 3 – Risk Map (Fire)	 Fire Risk Map February 2022 v1.do