

Corporate Risk Register – 31 December 2022

<u>Risk Reference</u>	<u>Risk Description</u>	<u>Risk Score</u>	<u>Residual Score</u>	<u>Status</u>	<u>Progress</u>
ER218	Heightened terrorist threat in County Durham and Darlington increasing the risk to CDDFRS staff and communities. This also includes the organisation not being able to provide critical services to the community due to a major disruption.	12 L=3 I=4	9 L=3 I=3	<p>The score reflects the latest intelligence.</p> <p>The Chief Fire Officer and SLT members are embedded across the LRF. The lead National Incident Liaison Officer (NILO) provides updates to the Service on national counter terrorism issues. the Service is also involved in the counter terrorism strategy (CONTEST) and production of the counter terrorism local profile. Marauding terrorism attack (MTA) refresher training delivered each year for revalidation of competence.</p> <p>A Multi-agency tactical exercise took place on 1st Dec 2021 to test joint operational planning (JOPS2) and the Joint Emergency services Interoperability Programme (JESIP). A full debrief took place Dec 2021 and learning points will be actioned as appropriate.</p>	No Change

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ER224	Failure to respond effectively and provide services due to Industrial Action.	<p>20 L=4 I=5</p>	<p>16 L=4 I=4</p>	<p>No industrial action has been notified however the position regarding firefighters pay could escalate to industrial action if an acceptable offer is not made. Future national uncertainties could also impact on this risk such as governance changes.</p> <p>The residual score reflects the fact that we have effective management of industrial relations and a communications strategy to all stakeholders together with a business continuity plan relating to industrial action. During the pandemic and during recent wildfire events, reilience crews were called off on a number of occasions and staffed appliances with no significant issues.</p>	No Change

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ER 38	Failure to provide an effective emergency response due to the reductions in the availability of on-call personnel.	20 L=5 I=4	12 L=3 I=4	Project to review the RDS duty system and implementation of cross sectional RDS Working Group. Project forms part of the ER strategy 2020/23. Service have developed and implemented a degradation plan to effectively manage emergency response. Revised version of the RDS handbook endorsed through SMT Oct 2021 to assist in the improved delivery of the RDS system and to reflect current practice.	No Change
FIN152	Failure to achieve the savings via the service transformation options outlined in the CRMP consultation leading to a greater budget deficit.	20 L=4 I=5	12 L=3 I=4	To arrive at a balanced budget for 22/23 it will be necessary to draw £0.5M from reserves. The use of reserves to balance the budget is not sustainable on an on-going basis. If there is no increase in the level of government funding or the council tax referendum limit going forward, alternative methods of service delivery will need to be considered and agreed to balance the budget from 2023/24 onwards. There is also a great deal of uncertainty surrounding the level of inflation, pay awards and funding going forward. Several savings options have been developed to deal with any future shortfall in funding. These options have been discussed in detail with members at the Strategic Planning Days held in October 2021 and May 2022. Further savings options are also being examined to assist in balancing the 23/24 budget.	No Change

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FIN153	The actual position relating to pay awards, inflation and grant cuts etc, turns out to be different to the assumptions underpinning the MTFP leading to a greater budget deficit.	<p>20 L=4 I=5</p>	<p>16 L=4 I=4</p>	<p>The MTFP assumptions are monitored on an on-going basis and will be updated during the preparation of the 2023/24 budget and MTFP. We have been notified of significant shortfalls in council tax and business rates receipts therefore our future funding position is a significant risk in our planning assumptions going forward.</p> <p>The MTFP is based upon increases in inflation and pay awards of 2% each year. The non-uniformed staff pay award has been agreed at a flat rate of £1,925 (approx. 5%). Firefighters have been offered 5% which has been rejected and a ballot is being held for industrial action.</p> <p>Whilst it is impossible to predict what might happen in the future, alternative MTFP scenarios have been modelled to illustrate the impact of changes to the assumptions. The most recent modelling presented to members at the October planning day predicts a shortfall in funding in 2023/24 ranging from £0.6M best case to £3.5M worst case.</p> <p>The situation regarding pay awards and inflation is monitored closely and any impact on the budget in the current year would normally be managed using contingencies and/or reserves. Members will be kept informed if further corrective action is required.</p>	No Change

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FIN 225	Insufficient government funding to meet capital programme requirements which could impact on the revenue budget leading to an increased MTFP deficit.	12 L=3 I=4	9 L=3 I=3	The Authority no longer receives government funding for capital expenditure which was previously £1.3M per annum. Provision is made in the revenue budget going forward to meet the impact of borrowing and/or direct funding. Recent increases in interest rates will add further pressure on the revenue budget from increased debt repayment costs.	No Change
FIN 08	Changes to public sector pension schemes could lead to higher employer and employee contributions; increased turnover of staff; difficulty in recruiting and retaining high calibre staff and a reduction in staff morale and productivity.	20 L=4 I=5	16 L=4 I=4	<p>The proposals to address age discrimination in the Firefighters pension schemes resulting from the McCloud Sargeant case could lead to a significant increase in the level of employers pension contributions and a range of staff retiring and accessing their pension earlier than anticipated. At the 16 February 2022 CFA meeting, members agreed to pause the processing of immediate detriment cases until the full extent of liabilities falling on the Authority are known. There is a risk that the Authority could be liable for the tax charges relating to individuals who have previously retired.</p> <p>The recruitment strategy includes options to bring in replacement staff quickly, if necessary, in order to maintain operational response.</p>	No Change

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ER 221	Failure of the current Integrated Control Communications System (ICCS) and Computer Aided Dispatch System (CAD). There is a risk that due to the age of the systems and not having appropriate upgrades that the system could fail.	16 L=4 I=4	12 L=3 I=4	Work with suppliers has improved the method for implementing upgrades to software ensuring that an engineer is present on site rather than working remotely. Delays in the transition into the cloud could now move back into Summer 2023. Although significant failures have occurred, Motorola have demonstrated that they can achieve escalation and resolution to faults reported.	No Change
SLT1/21	White Paper on fire services reform: Originally due to be published for consultation summer of 2021 but has been subject to delay. The implications of this document are not fully known but could involve significant change within the FRS including CDDFRS.	16 L=4 I=4	12 L=3 I=4	The CFO is working on a national level with the NFCC and the SLT is working locally with the CFA and PCVC will help to mitigate the potential impact of this risk. The White Paper has been published and the proposals suggest that in County Durham and Darlington fire governance could be mandated to transfer to the Police and Crime Commissioner. Close monitoring over the coming months will help the service understand more about the White Paper and potential impact which will allow for appropriate mitigating strategies and communications to be prepared in advance.	No Change

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FIN 229	Escalating costs of Command and Control	20 L=5 I=4	20 L=5 I=4	Indications from our supplier Motorola suggest that their future pricing model will increase from quarter 3 2022. This increase could be in the order of £500K per annum. The Service has a fixed price contract with Motorola until December 2023. The Service is in negotiation with Motorola about future pricing and may explore alternative options.	No Change
ER 222	Significant number of empty and derelict buildings within the Authority area	20 L=4 I=5	15 L=3 I=5	There are a significant number of empty and derelict buildings that are in poor condition and/or ineffectively secured which present a fire risk. The Service is collating a database of FRS known empty buildings to review hazards and produce Operational Risk Information (ORI) as required. The Service has representation at both the DCC and DBC Empty Building Working Groups.	No Change