

Corporate Risk Register – January 2021

<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 include 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	Score reflects the latest intelligence. Jan 2021 - Revised national JOP published which further enhances multi agency response to a potential terror related incident. Training on revised protocol in progress. Horizon scanning of present and future terror risk also managed through the Community Risk Plan. Update Feb 2021 - the national terror threat level has been reduced from severe to substantial.	
ER224	Failure to respond effectively and provide services due to Industrial Action.	20 L=4 I=5	10 L=2 I=5	<p>No industrial action pending. However we are still currently within a national pandemic which could effect the service's ability to respond. 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. Despite this at the SLT 20/1/21 the likelihood was raised from 1 to 2 giving a residual rating of 10.</p>	

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RISK 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.	
FIN152	Failure to achieve the savings via the service transformation options outlined in the IRMP consultation leading to a greater budget deficit.	20 L=4 I=5	8 L=2 I=4	The revised Medium Term Financial Plan (MTFP) covers the period from 2021/22 to 2024/25. In view of the uncertainty surrounding future government funding, our MTFP includes three models based on a best, mid and worst case scenario. The three models are based on varying levels of government funding and were calculated based on the assumption that council tax will increase by 1.9% in each year and pay awards will increase by 0% in 2021/22 and 2% in each of the following years. Based on these assumptions, we have a potential shortfall in funding over the period covered by the MTFP ranging from £0.964m (best case) to £2.836m (worst case). The Service has an agreed list of savings options ranked according to the impact on response standards which will be implemented if needed in order to balance the budget.	

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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.	20 L=4 I=5	12 L=3 I=4	<p>The MTFP assumptions are monitored on an on-going basis and have been updated during the preparation of the 2021/22 budget and MTFP. The financial impact of COVID-19 is currently being managed through a combination of additional government funding and the resilience reserve. If this funding is insufficient to meet the costs incurred there is a risk that reserves will be reduced to an unsustainable level going forward.</p> <p>The 3 current MTFP models all include allowance for a 0% pay award in 2021/22 and a 2% increase in pay each year from 2022/23 onwards. Each additional 1% would cost £230K for the whole workforce. Any increase in the cost of pay or inflation above the level included in the MTFP will have a significant impact on the MTFP deficit position unless further savings are identified to offset the additional cost.</p> <p>The government have stated that grant funding for the cost of the increase in the FPS contribution rate will continue in 2021/22 and will be mainstreamed into core funding from 2022/23.</p> <p>After discussion at SLT on 20 January 2021, it was decided that due to current mitigation and the national position, the likelihood score can be reduced from 4 to 3 giving a residual score of 12.</p>	

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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 will need to be made in the revenue budget going forward to meet the impact of borrowing and/or direct funding. Capital investments would be funded from reserves of borrowing	
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	The proposals to address age discrimination in the Firefighters pension schemes resulting from the McCleod 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. The recruitment strategy includes options to bring in replacement staff quickly if necessary in order to maintain operational response.	

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ICT 208	Failure to meet the Emergency Services Mobile Communications Programme (ESMCP) local transition schedule.	25 L=5 I=5	4 L=2 I=2	Regional management structure in line with national government requirements in place and agreement on programme support has now been reached for the airwave network equipment beyond contracted dates. National emphasis is now for a locally managed incremental approach.	
SLT 01	Absence of significant numbers of staff leading to the inability to deliver statutory duties as a result of the COVID-19 pandemic.	25 L=5 I=5	12 L=3 I=4	The initial risk of significant numbers of staff absence leading to the inability to deliver statutory functions was managed through a range of controls that reduced contact between staff where possible, enabled symptomatic staff to self isolate and the application of national guidance. Furthermore a series of additional support measures were introduced such as early running of a whole-time trainees course, deployment of apprentices to shiftbased work patterns, the introduction of retired members of the service to give ad hoc cover when required. This combined with the resilience cover model has helped to mitigate the risk.	

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CR217	Implications caused by the UK Exit from the European Union post exit deal.	12 L=3 I=4	8 L=2 I=4	The UK has reached a trade deal with the European Union which came into effect on 01 January 2021. The new arrangements involve changes to administrative arrangements at the UK border and there is a risk of potential disruption to supply chains which could affect the availability and delivery times of imported items such as specialist equipment and vehicles.	
SLT 02	Change of governance of CDDFRS from a combined fire authority to that of a Police and Crime Commissioner (currently PCVC)	16 L=4 I=4	12 L=4 I=3	Principal officers are working with colleagues from the police, PCVC office and members of the CFA. The Chief Fire officer will monitor government policy and work with members of the NFCC.	
ER 221	Loss of emergency communications as a result of failure of the Integrated Communication Control System [ICCS]	16 L=4 I=4	12 L=3 I=4	Close work in progress with providers of the system and CDDFRS to ensure that extended support is provided in lieu of a replacement system which is currently running a up to 8 months behind schedule. Previous contracts for support run out at end of Dec 2021.	New