










Corporate Risk Register – August 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. During the pandemic, a business continuity event occurred where resilience crews were called off on 5 occasions and staffed 1 appliance with no significant issues. 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 CRMP 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 were 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.</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. The national employers have offered all staff groups a 1.5% pay award in 2021/22 which will add in excess of £300K to the annual pay bill. This increase will have a significant impact on the MTFP deficit position unless further savings are identified to offset the additional cost going forward.</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 17 June 2021, it was decided to leave the risk score unchanged due to current mitigation.</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, or other risks presented from undertaking transition to ESN.	25 L=5 I=5	6 L=2 I=3	<p>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.</p> <p>Full Business Case has been presented to services and this is indicating that the service MAY be exposed to higher costs for these services than is currently the case with Airwave as supported by the FireLink grant.</p> <p>Following SLT 17th June 2021, it was agreed that the Impact score should be raised from 2 to 3 giving a residual score of 6.</p>	
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	<p>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.</p>	

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SLT1/21	White Paper on fire services reform: Due to be published for consultation summer of 2021. The implications of this document are not fully know but could involve significant change within the FRS including CDDFRS.	16 L=4 I=4	12 L=3 I=4	The CFO working on a national level with NFCC and the SLT working locally with the CFA and PCVC will help to mitigate the potential impact of this risk. The White paper has not yet been released as draft and may be revised based on consultation which again could mitigate the impact of the risk. 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.	New