

Corporate Governance Action Plan 2024/25

APPENDIX A

Action Ref	Finding	Associated Risk	Priority	Recommendation	Management Comment	Responsibility Timescale
01	<p>Public Sector Spending The impact of spending reductions in the public sector is a key governance issue for the Fire Authority. The Service received a higher than anticipated increase in government funding for 2024/25 which together with the implementation of riding with a crew of 4 and further efficiency savings significantly reduced the deficit over the four-year medium-term financial plan from £1.6m to £0.4m. However, further savings during the period 2025/26 to 2027/28 may be required to balance the budget going forward. Alternative delivery options for services continue to be considered and implementation plans are being progressed. Implementation will be closely monitored to ensure that planned service changes and associated savings are realised.</p>	<p>The Authority fails to balance its budget and service provision deteriorates as a result.</p>	High	<p>The Authority should look to further progress its implementation plans and monitor them to ensure that it's in year budget is balanced and service delivery maintained.</p>	<p>The 2024/25 budget MTFP was approved by the CFA in February 2024. Following the implementation of Riding with 4 and other savings the MTFP shows a balanced budget for 2024/25 and 2025/26 (without the need to draw from reserves) and a significantly reduced shortfall of £0.418M over the MTFP period.</p> <p>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 and further savings options are also being examined to assist in balancing the budget.</p>	<p>Deputy Chief Executive ONGOING</p>
02	<p>Assumptions Underpinning the Medium-Term Financial Plan The assumptions made in the medium-term financial plan, particularly around savings, inflation, pay awards, employer pension contributions and potential liabilities, future Government grants and income from council tax and business rates whilst based on the best information available are subject to change from economic circumstances and public finances in general. This represents a potential risk to the Authority's</p>	<p>The Authority fails to balance its budget over the medium to longer term and service provision deteriorates as a result.</p>	High	<p>The Authority should monitor, as intended, the assumptions made within its medium-term financial plan to ensure they accurately reflect the most up to date position known and enable corrective action to be taken where required at the earliest opportunity.</p>	<p>The MTFP assumptions are monitored on an on-going basis and will be updated during the preparation of the 2025/26 budget and MTFP.</p> <p>The MTFP is based upon increases in pay awards of 3% in 2024/25 and 2025/26 and 2% thereafter. The MTFP deficit position could change dramatically if pay awards are agreed above this level.</p> <p>Whilst it is impossible to predict what might happen in the future, alternative MTFP scenarios have been modelled</p>	<p>Deputy Chief Executive ONGOING</p>

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	medium-term financial plan which will be monitored closely to enable corrective action to be taken where necessary.				to illustrate the impact of changes to the assumptions. 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.	
03	<p>Impact of Changes to the Firefighters Pension Scheme</p> <p>The service will closely monitor the impact of changes to the Firefighters Pension Scheme in terms of cost, business continuity, resilience, and local industrial relations.</p>	The Authority fails to balance its budget and service provision deteriorates as a result.	High	The Service should monitor as intended the impact of changes to the Firefighters Pension Scheme both in terms of cost and service delivery.	<p>The core pensions grant has been mainstreamed into settlement funding from 2024/25. This provides some certainty on future funding for pensions. The Home Office also confirmed a new pensions grant in 2024/25 in relation to the additional employer's contributions resulting from the last actuarial valuation.</p> <p>December 2023 saw the publication of the Immediate Choice Remediable Service Statements (IC-RSS) template for fire, meaning that the rollout of IC-RSSs could commence. Tax relief issues mean legislation is required to process some retired members' pension and this is due to be laid early 2025. Regular guidance continues to be received from the LGA. This is reported to the Pension Board and followed by the Service.</p> <p>The recruitment strategy includes options to bring in replacement staff quickly, if necessary, to maintain operational response.</p>	Deputy Chief Executive ONGOING

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04	<p>Collaboration Collaboration will continue to be addressed pro-actively in terms of collaborating with other Fire and Rescue Services, the Police, Northeast Ambulance Service and other organisations. The government have placed an increased emphasis on collaboration with Blue Light Services and this is reflected in the Authority's governance structure in relation to collaboration.</p>	The Authority's collaboration aspirations are not achieved.	High	Opportunities for further collaboration should be investigated. Progress made across all Collaborative practices should be reported, for monitoring, to the Authority.	<p>Members are supportive of further collaboration where this is in the interests of the Authority and provides value for money. The Authority has signed a Statement of Intent with Durham Constabulary setting out our intention to work more closely together to enhance co-operation and collaboration. Progress is monitored through the Collaboration Delivery Board.</p> <p>Work is continuing with the development of further collaboration opportunities and a Statement of Intent has been signed to enable closer working with neighbouring FRS's. The Service has recently entered into a collaboration with 3 other FRSs for a shared Emergency Mobilisation and Control system which has enabled the system supplier to deliver efficiencies in the solution and increased resilience for all 4 services.</p> <p>The Authority has approved a Collaboration Strategy, and a Collaboration Register is in place to record details of individual collaboration initiatives. A formal process to review the outcomes of individual collaboration initiatives has also been developed.</p>	Chief Fire Officer ONGOING
05	<p>Fire Service Inspectorate (HMICFRS) In the 2021/22 HMICFRS inspection, the Service was rated as good across all 3 pillars – Effectiveness, Efficiency and People. An action plan was developed to address the areas identified for improvement in the inspection report and completion</p>	The Authority suffers reputational damage as a result of an adverse judgement from the new Fire Service Inspectorate.	High	The Service should look to increase its learning capacity further to receiving the outcomes of its inspection and through engagement with Durham Constabulary	Preparations are well advanced for the Service's next inspection which begins on 17 February 2025. A dedicated Service Improvement Team is in place to monitor progress through SLT. Communication with all staff has commenced and regular engagement takes place with the HMICFRS Service Liaison Lead.	Chief Fire Officer ONGOING

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	of the actions is on schedule. Preparation has now started for the Service's next inspection which is planned for early 2025.			and the National Fire Chief's Council.		
06	<p>HMICFRS Spotlight Report – Values and Culture in Fire and Rescue services</p> <p>On the 30 March 2023, HMICFRS released its spotlight report “Values and Culture in Fire and Rescue Services” which was commissioned by The Minister of State for Crime, Policing and Fire. The report draws on the evidence collected through all inspections since 2018 and recent data requests around the handling of misconduct cases and background checks of current and new</p>	The Authority suffers reputational damage as a result of an adverse publicity arising from misconduct cases.	High	The Service should monitor progress towards addressing the actions outlined in the Spotlight Report.	A gap analysis has been completed with the key objective to highlight any immediate actions required. Whilst the Service is well placed to address several of the recommendations with already established and well embedded processes in place such as background checks, confidential reporting lines, policies and procedures and undertaking staff engagement activities there are a few areas identified where we can strengthen. Progress in completing the actions will be monitored by the Service Leadership Team and the Authority going forward.	Chief Fire Officer ONGOING