

Corporate Risk Register – 31 October 2024

<u>Risk Reference</u>	<u>Risk Description</u>	<u>Risk Score</u>	<u>Residual Score</u>	<u>Status</u>	<u>Change to Risk Score</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	The score reflects the latest intelligence. 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.	NO CHANGE
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ER224	Failure to respond effectively and provide services due to Industrial Action.	15 L=3 I=5	8 L=2 I=4	No industrial action has been notified however the position regarding firefighters pay could escalate to industrial action in 2025 if an acceptable offer is not made. Future national uncertainties could also impact on this risk such as governance changes. 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.	NO CHANGE

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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	<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>	REDUCED

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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	9 L=3 I=3	<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. All pay awards for 2024/25 have been settled and implemented and can be managed within the agreed budget.</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.</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>	REDUCED

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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. We continue to lobby for the reinstatement of this funding to reduce 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.	15 L=3 I=5	9 L=3 I=3	<p>We have been informed by the Home Office that the pensions grant will continue at its current level prior to being mainstreamed into settlement funding. This provides some certainty on future funding for pensions.</p> <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 employer's pension contributions and a range of staff retiring and accessing their pension earlier than anticipated.</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>	NO CHANGE

Appendix 1

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