

Summary of Cheshire Fire and Rescue Service Strategic Risk Register January 2024

Risk description	Likely Impact	Corporate Objective	Current risk score	Current controls	Target risk score	Additional controls, actions and latest progress
Funding uncertainty	Inability to deliver CRMP and capital programme	Deliver Value for Money services which maximise community safety and minimise our impact on the environment	20	<p>Planning processes including monthly SMT meetings focused on horizon scanning, forward plans, budgets and programme monitoring. Medium Term Financial Plan/Capital Strategy/Reserve Strategy in place and regularly reviewed.</p> <p>Formal reporting to Member meetings and Member Planning Days.</p> <p>Reporting to Performance & Programme Board.</p> <p>Ongoing external liaison at national, regional and local level.</p> <p>Forecast reports and workplace planning reports utilised</p> <p>Managed use of reserves where necessary</p> <p>Participation in sector wide information initiatives to support case for funding.</p>	8	Budget round facilitated by frequent Budget Management Board meetings and use of sensitivity analysis to model MTFP risks. Referendum limit announced December 23 at 2.99%. Settlement announced December 2023, some increase in business Rates but awaiting confirmation from Local Authorities. Latest draft MTFP reported to Members Planning Day 12-1-24. 0.9% increase in Public Sector funding going forward announced but given Govt focus on Health and Education that could lead to increased risk to Fire funding.
Overarching pensions risk (increase in employers' contributions,	Additional costs, additional specialist resource	Deliver Value for Money services which maximise	16	<p>Pension Board oversight</p> <p>Pension Manager in place and additional budget available, including Home Office support</p> <p>Dedicated legal support</p>	6	The 2020 valuation has been completed. The results and associated charges to the employers are currently being reviewed and approved by the Scheme Advisory Board. It is expected to be published more

<p>impact of McCloud)</p>	<p>requirements, potential industrial relations issues, welfare issues.</p>	<p>community safety and minimise our impact on the environment</p>		<p>Regular engagement with national bodies Dedicated supporting information available Regular communication with rep bodies and staff Remedy implementation plan in place</p>	<p>widely in the new year. The employer contribution rate is likely to rise significantly due to a number of factors. The McCloud and Mathews remedy action will increase costs and also, earlier this year, the SCAPE rate was amended which has a knock on impact on employer contributions. Temporary government funding will be available in 24/25 for any part of the increase which is linked to the changes in SCAPE rate. Funding arrangements have now been clarified by Home Office and the Treasury. Any compensation and interest costs linked to the McCloud and Matthews remedies will be fully funded through the top up grant process. Other costs associated with the remedy such as additional charges by the pension administrator, or additional resources employed to work on these projects will still need to be funded by FRAs. Now that the MCloud legislation has come into force, the Immediate Detriment Framework will no longer be used. Therefore this risk is no longer applicable. From 1 October 2023, any officers who have retired have received a choice of benefits as per the remedying legislation, meaning the risk for current retirements has been mitigated. For those cases where the officers retired before October 2023, work is ongoing between now and March 2025 to recalculate their pension and tax</p>
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						<p>position in order to provide them with a choice of benefits. This work will be complex and time consuming, therefore an element of risk remains. Pensioners may have to wait several more months before they are able to receive their choice of benefits which may lead to complaints. Nationally, FRAs are working to the same timescales and are prioritising cases where the detriment is larger. The union representatives that sit on the Scheme Advisory Board have ratified this approach and the Pension Ombudsman has indicated that he is happy that the sector are applying this prioritisation approach to cases, therefore the risk of challenge should be low. The key risks remaining are uncertainty around the employer contribution rate from April 2024, timescales for resolution of retrospective McCloud cases and how Home Office intend to fund costs in the short term to ensure FRAs do not experience cashflow issues as they start to pay out pension arrears and compensation for McCloud and Matthews remedy cases.</p>
Outcome of review of Joint Corporate Services	Deterioration in relationship with partners, increase in cost of delivering	Ensure our workforce is competent and able to deliver our vision	16	<p>Joint Service Management Board in place to manage the reviews and outcomes. Blue Light Executive Board oversight Detailed reviews of all functions being undertaken</p>	4	<p>Steady state collaboration agreement has now been signed. This helps to mitigate the risk and would allow a more structured and planned approach to any further disaggregation. Overall risk score has reduced to 16</p>

	service, loss of skills and resilience, IT issues, governance arrangements, fragmented services.			Project to deliver outcomes of reviews		
Delivery of support services under BLC	Additional costs, deterioration in quality or loss of support service	Ensure our workforce is competent and able to deliver our vision	12	Performance meetings with Heads of Department Joint Services Management Board in place and meetings scheduled Blue Light Executive Board in place Deep dive surveys	4	Steady state agreement has now been signed. Departmental reviews are ongoing (Stores, Estates & IT) with regular JSMB and BLE meetings taking place. The likelihood has now reduced making an overall risk score of 12.
Station Modernisation Programme – Warrington	Inability to modernise Warrington Station	Deliver Value for Money services which maximise community safety and minimise our impact on the environment	12	MTFP managing funding position. Risk Register for each project overseen at Land & Station	4	Revisit Business case to explore ongoing funding options to ensure delivery of this Programme
Station Modernisation Programme – Ellesmere Port	Inability to modernise Ellesmere Port Station	Deliver Value for Money services which maximise community	12	MTFP managing funding position. Risk Register for each project overseen at Land & Station	4	Revisit Business case to explore ongoing funding options to ensure delivery of this Programme

		safety and minimise our impact on the environment				
Beechmere Prosecution	Failure of prosecution leading to financial and reputational risk.	Deliver Value for Money services which maximises community safety and minimises the future impact on the environment from similar fires	12	<ol style="list-style-type: none"> 1. Regular gold coordination meeting held with relevant stakeholders. 2. External and Internal legal services providing advice. 3. Additional resources sourced and implemented. 	4	Relevant prosecutions will be progressed during 2024.