



Strategic Risk Register Report

March 2023

**This update sets out the current assessment of strategic risks that relate to the PCC,
Assessment has been discussed with OPCC Managers**

**Paul Benfield
Treasurer**



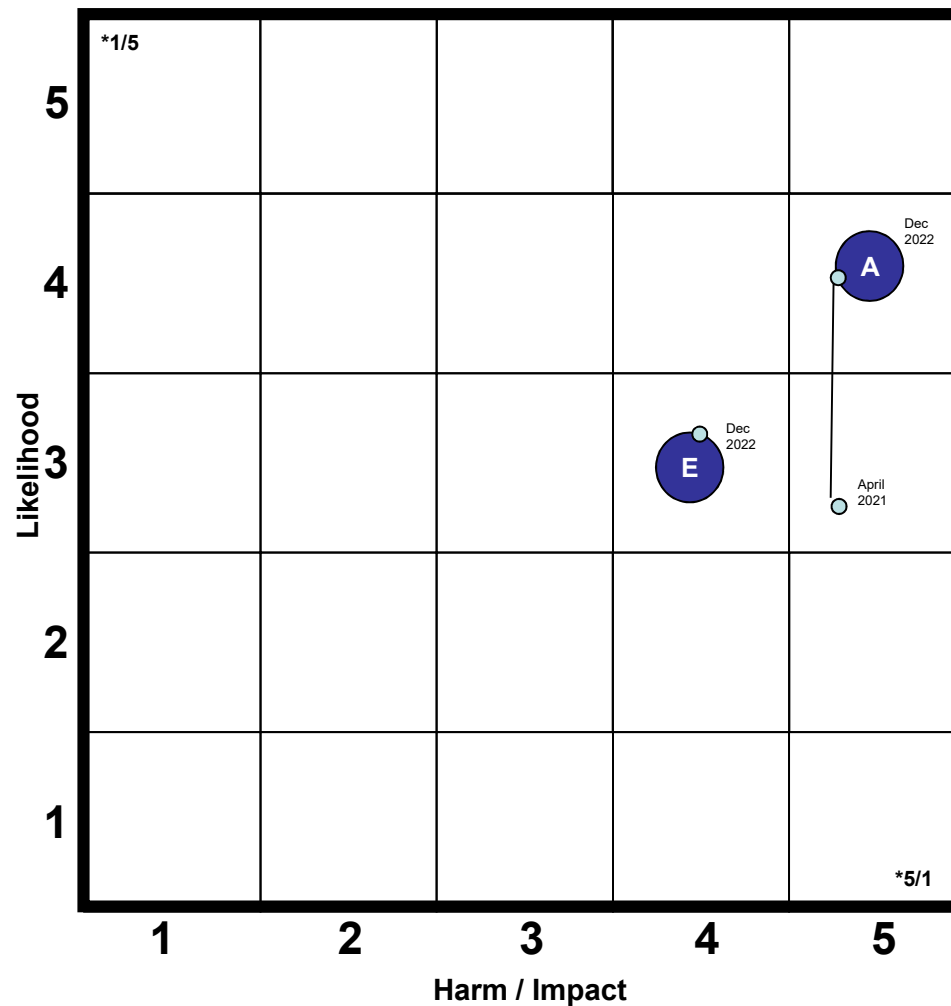
Strategic Risk Report

The following Strategic Risks are recommended to be discussion points :

	Risk	Update
A	The risk that there is a budget pressure that adversely impacts on service delivery.	No change in risk since last update
E	The risk in relation to Wychavon District Council submitting the South Worcestershire Development Plan Review (SWDPR) to the government planning inspectorate, which would remove Hindlip Park's 'Major Development site' (MDS) status	No change in risk since last update

West Mercia PCC - Strategic Risk Register Report

OFFICIAL - Sensitive



Risk rising, or is now an issue.



New risk for Treatment



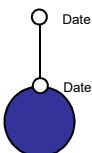
Risk reducing, or to be Tolerated



A The risk that there is a budget pressure that adversely impacts on service delivery



E The risk in relation to Wychavon District Council submitting the SWDPR to the government planning inspectorate, which would remove Hindlip Park's MDS status



The date the risk entered the Risk Map

The date the risk reached this position / entered the Risk Map

The risks current position.



The risk that there is a budget pressure that adversely impacts on service delivery.

March 2023 Update



The Force are working through options to produce a balanced budget. There are currently proposals which have outline agreement totalling nearly £12m of budget reductions that have been identified.

The current position is that there remains a budget gap of £1.6m which are still being discussed with the Force. This is below the level of earmarked reserves that have been identified to support the revenue implications of delivering savings plans. The Force are currently preparing a review of the options available to make best use of resourcing available whilst still delivering on-going recurring budget reductions whilst ensuring that effective services can still be delivered.

There has been a recent announcement from the government of a public sector pay award recommendation of 3.5% for 2023/24. Discussions are ongoing with the Force as to what the implications of this would be and how the financial impact would be managed if the pay award is higher than budgeted.

There is an underspend being predicted for the 2022/23 financial year of £4.8m. The majority of the saving is coming from underspend on salaries from both officer and staff recruitment. There is also a significant underspend on supplies and services relating to ability to purchase goods and services. This underspend allows some flexibility around future costs.

Previous Update

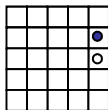
The PCC has released his draft budget for consultation for 2023/24 on the 6th December 2022.

The report identifies a budget gap of £13.5m between the required budget to continue to deliver services and the estimated funded that is available (gap of 7% of budget). There was a request of £285m of expenditure resources, which included £18.6m of inflation increase and £12.2m of increases from services requiring investment. Whilst some of this has been offset by efficiencies as a result of previous investments, there is clearly the significant impact of inflation that has to be considered. The Chancellor's Autumn Statement did not make any additional funding available than already notified in the 2021 Spending Review, which had a nominal inflationary uplift.

The Force management team have identified where it believes savings can be delivered, and are currently engaged with their Heads of Departments to work through what the detailed plans are for balancing the budget through December and early January to inform the final budget proposals.

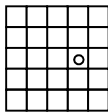
Due to the significant budget gap which has been identified and the remaining uncertainty around inflation and funding the risk has been increased to be more likely to occur. Through producing the budget by early December, having regular meetings with the force, and the force having a budget implementation team to work on savings plans there are mitigations in place to manage the risk.

The Police Officer pay award was confirmed in July 2022 a flat £1,900 from September 2022 which is an average increase of 5%. The Staff pay award negotiation has been reopened and we are waiting confirmation of what the impact of that will be.





The risk in relation to Wychavon District Council submitting the SWDPR to the government planning inspectorate, which would remove Hindlip Park's MDS status



March 2023 update

There has been no change in the current assessment. We have prepared as far as possible to present our case to the Planning Inspector when the SWDPR Public Examination is in place.

Previous update

This is a new risk added to the strategic risk register for Q3 of 2022/23

Wychavon District Council will soon be submitting the South Worcestershire Development Plan Review (SWDPR) to the Government Planning Inspectorate. This will replace the current development plan and proposes to remove Hindlip Park's Major Development Site status and absorb the site completely into the West Midlands Green Belt. If that happens, it will become very difficult to secure planning permission for operational development across the entire site.

The current plan is already restrictive as to what can be done on the Hindlip Site and only allows development associated with the emergency services and civil resilience will be permitted in the designated MDS area. However this does allow us to look to build a new Firearms range on the site, as well as recent works on the Dog Section and redevelopment of the BOC. The loss of this designation would therefore significantly impact on the Forces ability to deliver the services it needs to in the most effective and efficient way, requiring the site to be constantly reviewed and changed over time.

The OPCC and Hereford & Worcester Fire and Rescue Service are engaging with specialist legal services support and intend to present a case supporting maintaining the current status of the site during the SWDPR Examination in Public in 2023 to the Government's Planning Inspector.

The impact of removing the MDS would be significant, the likelihood is currently assessed as possible, giving a risk score of 12. Whilst the organisation is forming arguments with the support of specialist legal advice, the decision does sit with the Planning Inspector, and the outcome is difficult to predict.