



To: Joint Audit Committee
From: Chief Finance Officer, OPCC
Date: 29 September 2016

Strategic Risk Management

1. Purpose

1.1 The purpose of this paper is to provide an update on Strategic Risk Management to the Joint Audit Committee and to provide sight of the new format for the Strategic Risk Register and refreshed risk management strategy. The opportunity to review our format was taken following the appointment of the new Police and Crime Commissioner.

2. Update

2.1 The strategic risk register held between Cambridgeshire Constabulary ("the Constabulary") and the Police and Crime Commissioner ("the Commissioner") is attached at Appendix 1. Risk management is embedded into both the work of the Constabulary and that of the Office of the Police and Crime Commissioner ("the OPCC") on an ongoing and continuous basis. The Strategic Risks were last considered by the Committee on 23 March 2016 and the new format was shared with the Committee on 23 June 2016.

2.2 The OPCC reviews the risks on a quarterly basis and provides updates to the JAC on a six monthly basis.

2.3 This format includes a brief summary of each risk on the front page, page 2 shows the risks are on a matrix, with any new risks raised highlighted in red text.

2.4 The objectives for each risk will be reviewed to ensure there is an explicit link to the Police and Crime Plan when the new plan is complete.

2.5 In order to bring us in line with our Collaborative partners, we have also adopted a 5x5 risk scoring matrix replacing the previous 4x4 scoring matrix. The rationale for each score is shown on pages 27 -29 of Appendix A.

- 2.6 Changes to the content of the register are shown in red text to stand out.
- 2.7 SR3.1 *there is a theoretical risk that the Commissioner and Chief Constable fail to manage the finances effectively* on page 10 has two additional causes added, one about the emergency service network (ESN) cost pressure and the other over uncertain economic funding environment and one additional effect for the ESN. Controls Assurances have been added to show how monitoring of ESN is progressed. Also a future action has been added to continue to monitor progress of ESN and also to review generation opportunities.
- 2.7 SR3.3 *there is a theoretical risk that the Commissioner (and Chief Constable if this relates to the functions of the constabulary) fails to enter into or achieve the benefits of collaboration* on page 13 has an additional cause regarding Athena and what effect this may have. Controls of Athena are included in both 'controls in place' and 'controls assurance'. There is also an additional future action to explore benefits of Fire and Police collaboration.
- 2.8 SR3.5 *there is a theoretical risk that the Commissioner fails to ensure effective arrangements for the Deputy Commissioner, Chief Executive and CFO to be appointed, supported and challenged*, on page 16 has an additional cause of unplanned retirement, resignation or illness and an additional control of succession planning.
- 2.9 SR4.2 *there is a theoretical risk that the Chief Constable fails to deploy appropriately staff under his direction and control to deliver the policing objectives in the Police and Crime Plan*, on page 20 two additional causes around lack of engagement between PCC and Chief Constable and failure to implement emergency service network not enabling the Chief Constable to deploy resources.
- 2.10 SR4.3 *there is a theoretical risk that the Commissioner fails to meet the requirements of the Police and Crime Panel as it assesses the performance of the Commissioner*, on page 21 had two additional causes about the Police and Crime Plan not articulating needs and lack of organisational support for the Plan. It also has an additional future action to work with the Panel to enhance the challenge and support provided by them.
- 2.11 SR4.4 *there is a theoretical risk that the Chief Constable fails to safeguard the welfare of all officers and staff within their direction and control*, on page 22 has additional wording in the causes, one additional cause around training and one for the requirement for custody provision in Cambridge. Effects include works undertaken on Parkside to date. Controls Assurance notes the launch of the Parkside custody board.
- 2.12 SR4.5 *there is a theoretical risk that the Commissioner fails to establish effective mechanisms for holding the Chief Constable to account when exercising their duties to safeguard the welfare of all officers and staff within their direction and control*, on

page 23 has additional wording in the causes and an additional controls including investment in training and supervision, the BCH governance mechanism to manage the custody health care contract and follow up actions from ICV concerns.

- 2.13 The updated risk management strategy is filed at Appendix 2; this has been updated to include implementation of the Board Assurance Framework.

3. Recommendations

- 3.1 The Committee is asked to note the contents of the report.