

Standard Risk Register



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| Report Date | 10 Jul 2019 |
| Risk Status | Open |
| Risk Reference | Between 1399 and 1499 |

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| Risk Reference | Risk Title | Cause & Effect | Inherent Risk Priority (I x L) | Risk Control | Residual Risk Priority (I x L) | Action Required |
|----------------|----------------------|---|--------------------------------|--|--------------------------------|---|
| 1470 | Diversity & Equality | <p>Under the Equality Act 2010, as a public body we are required to meet the Public Sector General Equality Duty. This requires us in both of our internal and external practices and procedures to:</p> <ul style="list-style-type: none"> -Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act; -Advance equality of opportunity between people who share a protected characteristic and those who do not; -Foster good relations between people who share a protected characteristic and those who do not. <p>The Equality Duty concerns all staff alongside community members who share 'Protected Characteristics'.</p> <p>These protected characteristics are: Age, Religion & Belief, Race & Ethnicity, Sex, Sexual Orientation, Gender Re-Assignment, Disability, Pregnancy & Maternity and Marriage & Civil Partnerships.</p> <p>Non-compliance could result in reputational damage to the Commissioner and the OPCC, loss of confidence across our communities and possible financial penalties.</p> | I = 4 L = 4 Primary (16) | <ol style="list-style-type: none"> 1. General Equality Impact Assessments 2. Recruitment procedures compliant with equality legislation 3. Independent Advisory Groups available to support the Force/PCC 4. Equality, Diversity and Human Rights Strategy 5. Staff Equality Forum in place. 6. Annual Equality and Diversity Report to Audit Committee. 7. Everyone Matters programme 8. Equality Action Plan 9. A programme of regular cultural and community awareness sessions with key external partners and community contacts. | I = 4 L = 3 Primary (12) | <ol style="list-style-type: none"> 2. The PCC is committed to the Everyone Matters programme however a team is required to deliver the Strategy which is properly configured and resourced with the necessary skills, experience and qualities to deliver sustained progress; The team to be assembled will operate explicitly on a joint corporate basis (so that the programme is jointly owned) but with the PCC as host employer for assurance and ethical separation purposes; Clear accountability is required to a Governance Board to be chaired by the Chief Constable (with Ch Exec alongside as joint project sponsor) 1. Continue to train staff, engage with a wide range of communities and ensure that awareness continues to be raised both with the OPCC and also the Force. |

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| 1471 | Partnerships | <p>A lack of effective relationships with partners would result in:</p> <ul style="list-style-type: none"> • insufficient influence over partnership strategies, policies and funding, • ineffective collaborative working • failing to take full account of partner priorities in the Police & Crime Plan • Ineffective or even negative impact of funding/grant awards • Failure to comply with statutory provisions in relation to engagement and working with criminal justice and community safety partners <p>Leads to criticism from partners and stakeholders and ineffective working relationships resulting in reduced levels of collaboration and partnership working, duplicated or missed services and critical review by the Public and the Police and Crime Panel</p> | I = 3 L = 4 Primary (12) | <p>1.Maintenance of effective representation on statutory partnerships</p> <p>2.Long Term Financial Plan</p> <p>3.Effective mechanism for the consideration & award of funding/grants</p> <p>4.Engagement of partners (2-way) in setting priorities</p> <p>5.PCC reporting to the Police & Crime Panel</p> <p>6.Events for PCC to engage with partners</p> <p>7.Regular PCC engagement with partners and senior individuals within Partner Organisation</p> <p>8.PCC representation on key partnerships and strategic forums to represent PCC strategies and priorities.</p> | I = 3 L = 2 Contingency (6) | <p>1.Establish formalised reporting to PCC & Police & Crime Panel on partnership performance.</p> <p>Target Risk - Impact 2, Likelihood 2</p> |

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| 1472 | Organisational Governance | <p>A lack of adherence to good governance procedures Acts/Orders/Regulations could lead to bad publicity, loss of reputation, financial loss and possible legal sanction resulting in critical review by HMICFRS, Police & Crime Panel and/or External Audit, poor decision making and adverse publicity and public attention.</p> <p>Poor governance processes leads to poor decision making and overall poor performance and value for money.</p> | I = 5 L = 5 Primary (25) | <p>1. Governance and decision making procedures in place regularly reviewed and updated.</p> <p>2. PCC signs up to a voluntary Code of Conduct including declarations of interests and notification of gifts and hospitality.</p> <p>3. PCC staff subject to Code of Conduct including declarations of interests and notification of gifts and hospitality.</p> <p>4. Annual Governance Statement process.</p> <p>5. Internal (& external) audit scrutiny and reporting</p> <p>6. Oversight by Audit Committee</p> <p>7. Monitoring Officer and Deputy Monitoring Officer.</p> <p>8. Ongoing environmental scanning for new regulatory requirements.</p> <p>9. Code of Corporate Governance in place and reviewed by the Audit Committee</p> <p>10. Robust Governance arrangements are in place for major Collaborations. Which are subject to regular Audit.</p> | I = 5 L = 4 Primary (20) | <p>1. The OPCC needs to completely revisit the Governance, Assurance and Scrutiny arrangements, that it has in place, to provide independent assurance to the PCC on the performance of the Force.</p> <p>2. The OPCC needs to develop processes/procedures to provide independent assurance to the PCC that the Force is delivering against HMICFRS Areas for Improvements.</p> <p>3. The OPCC needs to ensure that the Force put in place a robust and stable Chief Officer Team.</p> <p>4. The OPCC needs to review and redesign the scrutiny processes that enable the PCC to hold the Force to account to provide a greater level of assurance that the Force are and have delivered.</p> |

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| 1474 | Fraud | Failure to manage processes, controls and procedures leads to increased risk and occurrence of fraud resulting in bad publicity, financial loss, possible legal sanctions and critical review by external agencies. | I = 4 L = 5 Primary (20) | 1. Whistle-blowing Strategy. 2. Counter Fraud and Corruption Strategy. 3. Confidential e-mail system. 4. Internal Audit Services. 5. Internal disciplinary policies. 6. Systems of management including Delegation Scheme. 7. Financial Regulations (including Contract Standing Orders). 8. Budgetary control system with monthly analysis and review. 9. Audit Committee 10. Zero tolerance' policy | I = 4 L = 2 Contingency (8) | 1. Continued and Annual review of all policies and processes relied upon as existing controls to ensure that it is clear how they apply to the Office of the PCC. |
| 1478 | Financial Planning | Failure to ensure effective financial control and financial planning processes for the 'PCC Group', (i.e. the Office of the PCC, the Chief Constable, and Grants provided to, or services commissioned by, Partner organisations.) leads to poor decisions and wasting public money resulting in reduced services, poor value for money and adverse commentary and scrutiny for external bodies. | I = 4 L = 4 Primary (16) | Key Mitigations: 1. PCC CFO in place 2. Force CFO in place 3. Work of internal audit 4. Work of external audit 5. Quarterly Scrutiny Meetings where Finances and Resource are discussed. 6. Regular Meetings of the PCC and Force Leadership teams to discuss plans and finances 7. Regular reporting and scrutiny of current year financial performance and longer terms plans 8. Regular meetings and communications with partners who currently receive grants from the PCC 9. Regular meetings of the PCC and Force CFO's 10. Balanced financial plan in place for next 4 years based on current assumptions. 11. Earmarked Reserves created for higher pay awards and a legal/insurance reserve. | I = 4 L = 2 Contingency (8) | 1. Consideration needs to be given to the response of the organisation if higher than budgeted and forecast pay awards materialise. 2. Reassurance is needed from the Force to the PCC that future recruitment plans will meet both the organisational needs and the finances available to the Force. 3. The PCC requires assurance from the Force that scarce resources are delivering against the organisational priorities and in turn delivering efficient services. |

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| 1479 | Constraints in Central Funding | Failure to manage the combined impact of continuing constraints in central funding, and other national changes around Pensions and Pay Awards leads to potential shortage of funds to deliver key services resulting in reactive and poor decisions to balance the budget or an overspend which could put the financial stability of the organisation at risk. | I = 5 L = 4 Primary (20) | <ol style="list-style-type: none"> 1. Long Term Financial Planning process. 2. Efficiency planning and implementation processes. 3. Initiatives to collaborate, process re-engineer, civilianise and improve procurement processes. 4. Value for Money analysis and benchmarking across Police Forces. 5. Scrutiny of revenue and capital spend. 6. PCC CFO in place and required to annually review the level of financial reserves the PCC holds and report on the Adequacy of the Reserves and the Estimates used in the LTFP. 7. Internal and External Audit reviews of financial planning and arrangements for use of resources 8. Clear communication, by the Office of the PCC, to the Force and other Partners who receive funding, of how much funding is likely to be available in the future and what the PCCs priorities are 9. LTFP is balanced for the next 4 years based on current indications in relation to Central Funding and based on the delivery of known savings plans. 10. Earmarked Reserve has been established to manage Pay Awards being higher than budgeted so that in year pressures can be managed. | I = 5 L = 3 Primary (15) | <ol style="list-style-type: none"> 1. Continue to work closely with Partner organisations to deliver more collaborative and efficient services. 2. Continue to consult and communicate with the public of the impact of continued constraints in funding. 3. Continue scenario planning for various levels of funding levels and pay awards across the LTFP period. 4. Link into national work on next Comprehensive Spending Review to ensure Cleveland's case is made for sufficient funding. 5. Link in to National work on any review of the Police Funding Formula to ensure that Cleveland's views are taken into account and make the case for a fair share of funding for the Police Force Area. <p>Target Risk, Impact 5, Likelihood 2.</p> |

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| 1481 | Structure with the right capacity to support the PCC, | Failure to put in place a fit for purpose structure with the right capacity to support the PCC clearly indicating who is appointed to under take the statutory roles of Chief Executive/Monitoring Officer and Chief Finance Officer leads to poor governance and undefined roles and responsibilities leading to ineffective working practices and criticism from external agencies. | I = 4 L = 4 Primary (16) | <ol style="list-style-type: none"> 1. Chief Executive and Monitoring Officer in place, with deputy arrangements also defined. 2. Chief Finance Officer appointed. 3. The Office has embedded the changes required post the Stage 2 transfer and the additional responsibilities that resulted from the transfer. 4. First phase of the implementation of a revised structure has been completed and roles are being recruited to. 5. Revised Job descriptions have been put in place for all roles within the OPCC and been graded. 6. Resources within the office are now in place to deal with the additional work around Grants and Commissioning. 7. Resources are now in place for delivering against the PCC's priorities around criminal justice. | I = 4 L = 3 Primary (12) | <ol style="list-style-type: none"> 1. Phase 2 of the wider review of the office structure and roles and responsibilities is to be concluded. <p>Target Risk, Impact 4, Likelihood 2</p> |
| 1485 | Objectives of the Office of the PCC | Failure to focus on the delivery of the key organisational objectives of the Office of the Police and Crime Commissioner leads to time wasted on non key areas and absorbing resources into peripheral areas resulting in a poor service to the people of Cleveland in the areas most needed. | I = 4 L = 4 Primary (16) | <ol style="list-style-type: none"> 1. Action Plans for all objectives are in place 2. Regular meetings take place to review progress both internally and with Partners as required. 3. The Force's Towards 2020 Strategy aligns with and underpins the Police and Crime Plan. 4. A revised scrutiny and reporting structure has now been fully implemented. 5. A revised process for reporting to the Police and Crime Panel is now in place. 6. Police and Crime Plan has been refreshed and reflects feedback from Partners, Public and Force. 7. Police and Crime Plan is seen as the Key Strategic Document within the organisation | I = 4 L = 2 Contingency (8) | <p>Risk is as per Target</p> |

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| 1486 | Holding the Chief Constable and the Force to account | Failure to put in place adequate processes to effectively hold the Chief Constable and the Force to account for performance and use of resources as per statutory requirements leads to a reduction in the ability to shape the strategic direction of the Force resulting in key objectives not being met, adverse publicity, poor services to the people of Cleveland and adverse comments from external agencies. | I = 5 L = 5 Primary (25) | <ol style="list-style-type: none"> 1. Attendance/involvement at key force performance meetings. 2. Regular one to one meetings between the PCC and CC. 3. Clear Governance framework in place | I = 5 L = 4 Primary (20) | <ol style="list-style-type: none"> 1. The OPCC needs to completely revisit the Governance, Assurance and Scrutiny arrangements, that it has in place, to provide independent assurance to the PCC on the performance of the Force. 2. The scrutiny programme is to be developed in line with Strategic Direction given to the Force to ensure key areas of concern are reviewed. To ensure there is a clear understanding about the current health of the Force and how it will improve its efficiency, effectiveness and standards in the years to come. This will include an increase in the use of independent scrutiny approaches and a clear expectation for the Chief Constable to confirm what will change and by when. 3. Open and transparent engagement between the Force and OPCC. |
| 1487 | Commissioning of services and work with partners | Failure to effectively commission services and work with partners generally to deliver the Commissioner's key objectives and priorities leads to a lack of joined up working, poorly specified service needs resulting in poor decisions around which services should be commissioned and/or the wrong services being delivered. | I = 4 L = 4 Primary (16) | <ol style="list-style-type: none"> 1. Grant agreement template in place. 2. Clear guidelines on PCC website of how the PCC will commission services and how funding can be applied for. 3. Good partnership links and networks. 4. Service commissioned for Victims Referral Services. 5. Commissioning Strategy has been developed. 6. Actions from Internal Audit Reviews have been completed. 7. Reviews and Audits of services provided with Grants are being undertaken in-house to ensure delivery against Grant terms and inform future decisions. 8. Services now commissioned for Restorative Justice and Independent Sexual Advisor Services and Sexual Assault Referral Services | I = 4 L = 3 Primary (12) | <ol style="list-style-type: none"> 1. Continue to improve our understanding of the needs of both Victims and Witnesses within Cleveland to ensure that services are provided that meet their needs. 2. Organisation needs to continue to move away from Grants and towards Commissioning/Contracting for the delivery of services. Target Risk - Impact 4, Likelihood 2 |