

**Report of the PCC CFO to the Chair and Members of the Joint Audit Committee**

**May 2022**

**Presenting Officer: Mr Michael Porter, Chief Finance Officer**

**Status: For information**

**Strategic Risk Register**

**1. Purpose**

1.1 To provide Members with an update on the progress of the PCC’s risk register.

**2. Recommendations**

2.1 That Members note the content of the report.

**3. Background**

3.1 The PCC continues to take an integrated approach to embedding its risk register within the OPCC. The Risk Register is managed on the ‘Insight4GRC’ system and also continues to be reviewed in line with the OPCC’s own Risk Management Policy.

3.2 The Risk Register is reviewed and reported on a half yearly rolling basis. The objective of the review is to update risk controls, scoring, and check progress against outstanding actions and to explore new or emerging risks.

1. **Progress and Changes since the last update**
   1. All Risk entries have been reviewed up to this report and the associated updates are provided in the attached Risk Register.
   2. Following feedback from the internal auditors, each risk area continues to include additional narrative on assurance records; and demonstrable evidence of these assurances taking place are embedded within ‘Insight4GRC’.
   3. Risk 1470 associated with the OPCC Equality, Diversion and Inclusion (EDI) team has been closed following successful delivery of their programme. The EDI team have been transferred across to the Force, which will ensure continued delivery and monitoring of the embedded work.
   4. Risk 1716 remains open, as whilst the PCC has successfully appointed a new Chief Constable, further reassurance is required on the stability of wider Chief Officer Team.
   5. Risk references 1472, 1485 and 1486 will all be subject to examination by the OPCC with the new Chief Constable over the coming months, to ensure that the Governance structures in place are documented and that the Police and Crime Plan objectives fully drive the Chief Constable’s forward plan.
   6. The Model 3 complaints services has been rolled out within the OPCC, however the potential risk of the ability to provide a competent service will remain a risk until the OPCC are fully satisfied that this team are embedded and delivering successfully as planned.
   7. A Heatmap overview of all current ‘open’ risks on the PCC’s Risk Register, based on Inherent Risk is shown in the table below:**Inherent Risk Priority (I x L)**

* **Residual Risk Priority (I x L)**

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**Inherent Risk Priority (I x L)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 5 - Catastrophic | Contingency (5) | Contingency (10) | Primary (15) | Primary (20) | Primary (25)  **2** |
| 4 - Significant | Contingency (4) | Contingency (8) | Primary (12) | Primary (16)  **3** | Primary (20)  **3** |
| 3 - Moderate | Low (3) | Contingency (6) | Contingency (9)  **1** | Primary (12) | Primary (15) |
| 2 - Minor | Low (2) | Low (4) | House Keeping (6) | House Keeping (8) | House Keeping (10) |
| 1 - Insignificant | Low (1) | Low (2) | House Keeping (3) | House Keeping (4) | House Keeping (5) |
|  | 1 - Negligible | 2 - Rare | 3 - Unlikely | 4 - Possible | 5 - Probable |

* Inherent Risk Priority (I x L)
* Residual Risk Priority (I x L)
* Target Risk Priority
* **Inherent Risk Priority (I x L)**
* **Residual Risk Priority (I x L)**
* **Target Risk Priority**
  1. With the following table showing the Residual Risks:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 5 - Catastrophic | Contingency (5) | Contingency (10) | Primary (15)  **2** | Primary (20) | Primary (25) |
| 4 - Significant | Contingency (4) | Contingency (8)  **4** | Primary (12)  **1** | Primary (16) | Primary (20) |
| 3 - Moderate | Low (3) | Contingency (6) | Contingency (9)  **1** | Primary (12) | Primary (15) |
| 2 - Minor | Low (2) | Low (4)  **1** | House Keeping (6) | House Keeping (8) | House Keeping (10) |
| 1 - Insignificant | Low (1) | Low (2) | House Keeping (3) | House Keeping (4) | House Keeping (5) |
|  | 1 - Negligible | 2 - Rare | 3 - Unlikely | 4 - Possible | 5 - Probable |

* 1. Following the election of the new PCC in May 2021, existing risks of the OPCC continue to be subject to regular review by the OPCC SMT ensuring they remain relevant and are in line with the objectives of the new Police and Crime Plan.
* Inherent Risk Priority (I x L)
* Residual Risk Priority (I x L)
* Target Risk Priority
* **Inherent Risk Priority (I x L)**
* **Residual Risk Priority (I x L)**
* **Inherent Risk Priority (I x L)**
* **Residual Risk Priority (I x L)**

**5. Risk Register**

5.1 The Insight4GRC methodology and Risk Management Policy is in place and work is continuing to embed it into the day to day work of the OPCC.

5.2 All of the risks have and will continue to be allocated to individual Officers with regular updates required.

5.3 A copy of the OPCC Strategic Risk Register is included at today’s meeting.

**6. Implications**

6.1 Finance

There are no known financial implications at the present time. However, as the process progresses the financial implications will be continually reviewed.

6.2 Diversity and Equal Opportunities

There are no diversity or equal opportunities implications arising from the content of this report.

6.3 Human Rights Act

There are no Human Rights Act implications arising from the content of this report.

6.4 Sustainability

Risk Management is a vital element in ensuring the sustainable delivery of services and delivering the PCC’s priorities.

6.5 Risk

Risk Management is crucial in ensuring the sustainable delivery of services and delivery of the PCC’s priorities through the effective identification and management of the principal risks to the delivery of corporate objectives.

**7. Conclusion**

* 1. The OPCC strategic Risk Register and the work to embed risk management within the work of the OPCC remains on-going and work will continue to ensure progress is maintained and risks are appropriately captured and managed.