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## STRATEGIC RISK MANAGEMENT

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### 1. PURPOSE OF THE REPORT

- 1.1 To present the most current Joint Strategic Risk Register.

### 2. BACKGROUND

- 2.1 The Office of Police and Crime Commissioner (OPCC) and Northumbria Police share a Joint Strategic Risk Register. Each strategic risk is assigned a Chief Officer/ Director and OPCC owner, who has responsibility for the management of controls and the implementation of new controls, where necessary.
- 2.2 Risks are categorised against each of the four 'Proud to...' areas identified under Proud to Protect. Currently there are:
- 11 risks under Proud to Serve
  - 3 risks under Proud of Our People
  - 12 risks under Proud to Improve
  - 9 risks under Proud to Lead
- 2.3 The register (appendix A) identifies each risk and the consequences if it were to happen. The register also provides a summary of existing controls. All risks are regularly reviewed by their respective owners and additional controls identified or changed, where necessary. All risks are rated on the likelihood of the risk occurring and the impact it would have.

### 3. CHANGES TO REGISTER

- 3.1 The key changes to the risk register since the last quarter are outlined below. Appendix B provides a summary of changes to the likelihood or impact to risks since August 2016.

#### Existing risks

- 3.2 **Risk 11** – 'Failure to have sufficient appropriate adults to support those detainees in custody.' Likelihood rating changed from 4 to 3. Discussions are underway with Sunderland University to begin developing a trained volunteer service.
- 3.3 **Risk 15** – 'Further cuts to Home Office Police Grant Funding.' Impact rating changed from 5 to 2 to reflect the current funding environment following the 2015 Spending Review settlement. Impact rating assumes Government will follow plans set out at the Spending Review in 2015. Review may be necessary following the Autumn Statement.
- 3.4 **Risk 16** – 'A reduction in grant resources arising from a change to the Home Office grant allocation model.' Summary of controls updated to reflect the Home Office reinitiating the review into the funding formula. Likelihood and impact remain unchanged.

- 3.5 **Risk 20** – ‘Reduction in partnership services due to financial constraints and a lack of integrated planning.’ Likelihood rating changed from 3 to 2. Improved collaborative working with partners and funding secured through various joint bids.
- 3.6 **Risk 21** – ‘Collaboration leads to an increase in exposure to associated risks of partners/collaborations.’ Consequences and summary of controls reworded, intent not changed.

New risks

- 3.7 **Risk 34** – Significant and sustained breakdown in the working relationship between PCC and Chief Constable.
- 3.8 Following advice from Joint Independent Audit Committee (JIAC), the above mentioned risk has been retained on the register. This risk was initially presented to Executive Board for removal in August 2016. The working relationship between the Chief Constable and PCC has been, and remains a strong, professional working relationship. Notwithstanding this, and the low likelihood of any change, JIAC recommend that the risk remain on the register.
- 3.9 **Risk 35** – ‘Failure to deliver the National Emergency Services Network (ESN) to Northumbria Police on time and to budget.’
- 3.10 Consequences include increase in forecast in revenue budget as predicted savings will not be made as planned. ESN solution fails to supply adequate coverage or capacity to support operational policing in Northumbria Police.

Controls

- The Home Office will negotiate with Airwave Solutions Limited re: the extension of the National Airwave contract.
- Northumbria has a contingency plan for the support of user and vehicle Airwave terminals.
- Worst case forecast to be reflected in the force MTFs.
- Ensure close liaison with Home Office to receive early indication of programme slippage.
- Undertake early review of predicted coverage and test actual coverage as soon as devices and coverage are available.
- Investigate alternative solutions to provide additional coverage or capacity.
- Liaise with Home Office regarding allocation of funding for future years.

Removal of risk

- 3.11 **Risk 18** – ‘Short term negative cash flow.’ A number of controls are in place to minimise the impact of short term negative cash flow. Short term cash flow fluctuations are managed locally through finance department as part of day-to-day business, and as such it is recommended that the risk be removed from the Joint Strategic Risk Register and managed locally through the Director of Finance.

**4. GOVERNANCE**

- 4.1 Area Commanders, Department Heads and OPCC are responsible for the identification of emerging risks which cannot be controlled locally, and have the potential to prevent the Force and PCC from achieving objectives. These risks are

escalated to the PCC and Chief Officers, and recorded on the Joint Strategic Risk Register.

- 4.2 The register is presented to Executive Board on a quarterly basis. The Joint Independent Audit Committee (JIAC) and the Joint PCC/CC Governance Group provide additional scrutiny and governance on a quarterly basis.

**5. CONCLUSION**

- 5.1 Current risk management processes and procedures continue to help to ensure the effective management of those risks which have the potential to adversely affect the delivery of Force and PCC strategic aims and objectives.

**6. RECOMMENDATIONS**

Members are requested to:

- 6.1 Note the changes to controls and likelihood ratings of existing risks (risk 11, 15, 16, 20 and 21).
- 6.2 Approve the removal of risk 18 from the risk register (short term negative cash flow).
- 6.3 Note the reinstatement of risk 34 concerning the working relationship between PCC/CC (following advice from JIAC).
- 6.4 Note the inclusion of new risks surrounding potential delays in the delivery of the national emergency services network (ESN) (risk 35).