JOINT INDEPENDENT AUDIT COMMITTEE

Strategic Risk Management – Annual Report

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1.   PURPOSE OF THE REPORT

1.1   To provide an overview on the management of strategic risk as contained within the Police and Crime Commissioner (PCC) and Chief Constable's 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 which has been designed to ensure the effective management of strategic risks.

2.2   Each strategic risk has been assigned Chief Officer/Director and OPCC owners, who have responsibility for the management of existing controls and the implementation of new controls, where necessary. 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.

2.4   The Joint Strategic Risk Register is monitored at Executive Board and Joint Business Meeting and Joint Independent Audit Committee on a quarterly basis. The Joint PCC/CC Governance Group provides additional scrutiny and governance.

3.   CURRENT POSITION

3.1   Each risk is aligned against the Proud to Protect mission and values. Risks have been categorised against each of the four 'Proud to…' areas identified under Proud to Protect. Currently there are:

- 13 risks under Proud to Serve;
- Three risks under Proud of Our People;
- 11 risks under Proud to Improve; and
- Nine risks under Proud to Lead.

3.2   The register identifies each risk and the consequences if it were to happen. The register also provides a summary of existing and additional controls. Additional controls are those which are either in progress or require implementation.

3.3   All risks are regularly reviewed by their respective owners throughout the year in response to the changing risk environment to provide additional assurance and help to reduce the likelihood and impact of risks.

3.4   Over the last twelve months (May 2016 to May 2017) five new risks have been added to the register.

Risk 11 – Failure to have sufficient appropriate adults to support those detainees in custody. This is not a statutory function of local authorities.

Risk 12 – Severe delays in digital forensic examinations.

Risk 13 – Failure to achieve ISO/IEC 17025 accreditation for digital device examination.

Risk 26 – Financial Risks arising as a result of exit from European Union.

Risk 27 – Failure to deliver the National Emergency Services Network (ESN) to Northumbria Police on time and to budget.

3.5 Three risks have been removed from the register.

- Failure to recognise and adapt to the national Transforming Rehabilitation agenda – many of the early risks associated with adapting to new ways of working have become 'business as usual' and managed locally with criminal justice partners. Wider partner risks are managed locally through the Crime and Criminal Justice Department.

- 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 overseen by the Director of Finance.

- Loss of Public confidence and/or reputational damage – loss of public confidence is a consequence of many of the strategic risks already included on the register. It is included as a consequence of many of the strategic risks already captured within the register.

4. FINANCIAL CONSIDERATIONS

4.1 There are no additional financial considerations arising from this report.

5. LEGAL CONSIDERATIONS

5.1 There are no legal considerations arising from the content of this report.

6. EQUALITY CONSIDERATIONS

6.1 There are no equality implications arising from the content of this report.

7. RISK MANAGEMENT

7.1 There are no additional risk management implications directly arising from this report.

8. CONCLUSION

8.1 There is appropriate governance in place to ensure strategic risks are scrutinised on a regular basis. New risks are identified and included with the Strategic Risk Register, with appropriate oversight of new and existing controls to ensure effective management of risk.

9. RECOMMENDATIONS

9.1 Members are asked to note the content of the report.