Agenda Item No

18

JOINT INDEPENDENT AUDIT COMMITTEE
5th December 2022

SUBJECT	**PCC RISK REGISTER**
REPORT BY	**CHIEF EXECUTIVE & CHIEF FINANCE OFFICER**
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SUMMARY AND PURPOSE OF REPORT To review the PCC's Risk Register.	
RECOMMENDATION	That the Committee reviews the PCC's Risk Register.

A. SUPPORTING INFORMATION

1. The top strategic risks that would prevent or distract the Commissioner from achieving his goals are recorded in the PCC's Risk Register. The risks have been identified based on the PCC's objectives that are stated in his Community Safety, Policing and Criminal Justice Plan 2021 – 2025.

2. The PCC's Chief Finance Officer (CFO) and Research and Performance Officer (RPO) attend the Force's Confidential Risk Management Board and Force Risk Management Board respectively. This ensures that the Force's register and the PCC's register are aligned where appropriate. In addition, the Force Risk Policy & Review Officer and the RPO meet on a regular basis to discuss both registers.

3. The PCC's risk register is reviewed each month as part of the standing agenda for the OPCC Management Meeting. The current risk register (V7.69 November 2022) records 13 risks in total, with 6 currently rated as critical, scoring RED 12 and above and 7 as non-critical, scoring AMBER 9 and below.

4. Since the previous review by the JIAC in April 2022 the PCC's risk register has had one risk removed and 2 new risks added:

   4.1. RISK REMOVED - C056 ***"Failure to adequately respond to the Home Office proposals arising from their national review of the PCC's role & responsibilities (Parts 1 & 2)".*** This risk has remained stable and maintained its target score. Work has been conducted to assess the implications of the Home Office reviews and guidance / briefings provided by national professional bodies such as the APCC and APACE continue to inform our approach.

   4.2. NEW RISK – C057 **"Failure to prepare for the potential impact on the workforce and service delivery because of the sudden rise in the 'cost of living' & the 'cost of doing business".** The OPCC has raised awareness amongst staff that there are support schemes available to them relating to the consequences of the sudden rise in the cost of living. Both existing and newly established schemes can be accessed by employees of the force and OPCC.

Modelling of business costs and increases in likely expenditure form part of the ongoing budgeting process.

4.3. NEW RISK – C058 "**Failure to deliver a new ERP system concurrent with a supported outgoing system".** This risk relates to the potentially catastrophic consequences of the outgoing system malfunctioning / failing. The technical support available from the system provider for the outgoing ERP system will end before the new ERP system can be implemented. Developing controls are in place to provide temporary cover for the interim period.

5. Existing and developing controls have been refreshed across the register to better reflect the situation - as at the 17th of November 2022.

5.1. All changes made to the register since it was last reviewed by the JIAC in April 2022 are recorded in the Change log, Page 8 & 9 – from the May entry onwards ie Version 7.64.

6. A risk management review meeting has been scheduled for the OPCC management team to specifically discuss key topics including:

6.1. OPCC risk register content – scope, scoring & controls

6.2. OPCC risk appetite

6.3. OPCC risk management strategy – to help refresh the management team's understanding and engagement with its content and practical application.

6.4. Issues raised at the 'risk familiarisation' meeting held between the RPO, FRPRO, and the 'new' members of the JIAC will form part of the agenda.

6.5. Requirements for risk awareness' training for all roles in the OPCC – as per the risk management audit report recommendation from October 2022 - see below.

7. The Internal Auditors conducted a scheduled audit of risk management and assurance mapping in the force and OPCC with 'fieldwork' taking place in September 2022 and the final report being published in October 2022.

7.1. The audit findings were rated as providing ***"Significant Assurance"*** on the adequacy and effectiveness of controls for risk management and assurance.

7.2. However, it should be noted that following the 'fieldwork' and before the publication of the final audit results the force decided to discontinue the use of the Joint Assurance Map and replace it with a new independent map created and managed by the Force.

7.3. The management response to the audit findings includes a commitment by the OPCC to amend their associated policies and strategies to reflect any new assurance mechanisms and processes introduced by the force.

7.4. The timescale for the implementation of the Force's new approach has yet to be confirmed.

8. The PCC's risk register V7.69 November 2022 is attached at **Appendix A** to this report.

B. FINANCIAL CONSIDERATIONS

There are resource implications related to some of the risk control measures that arise from the implementation of these activities. These are managed by the appropriate Chief Officers in each organisation.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

Any relevant legal and human rights related risks are included in the PCC's risk register.

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES (including any impact or issues relating to Children and Young People.)

Any relevant personnel, equal opportunities and diversity related risks are included in the PCC's and Force's risk registers.

E. REVIEW ARRANGEMENTS

The Risk Management Strategies for both the PCC and the Force will be reviewed by JIAC on an annual basis.

F. RISK MANAGEMENT

Risk governance is an integral part of the Joint Independent Audit Committee's remit. It is reflected on the Forward Plan accordingly.

G. PUBLIC ACCESS TO INFORMATION

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.