

JOINT INDEPENDENT AUDIT COMMITTEE
28 MARCH 2014

SUBJECT	
PCC RISK REGISTER, RISK MANAGEMENT STRATEGY AND ASSURANCE MAP	
REPORT BY	CHIEF EXECUTIVE & CHIEF FINANCE OFFICER
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SUMMARY AND PURPOSE OF REPORT	
To consider the Police and Crime Commissioner's latest Risk Register, Risk Management Strategy and the development of the Assurance Map.	
RECOMMENDATION	<p><i>That the Committee:</i></p> <ol style="list-style-type: none"> <i>1. review and monitor the PCC's Risk Register</i> <i>2. consider the PCC's Risk Management Strategy and</i> <i>3. provide feedback on the PCC's draft Assurance Map</i>

A. SUPPORTING INFORMATION

1. PCC's Risk Register

- 1.1 It was suggested at the Chairman's Induction session on 14 October 2013 that the Joint Independent Committee Meeting review and monitor both the PCC's risk management arrangements and also the Assurance Framework.
- 1.2 The top strategic risks that would prevent or distract the Commissioner from achieving his goals are recorded in the PCC Risk Register. The risks have been identified based on the PCC's objectives that are stated in the Police and Crime Plan 2013 – 17. They also link to the Office of the PCC's (OPCC) Operational Delivery Monitoring Plan.
- 1.3 The PCC's risk register currently records 12 critical risks (those scored at AMBER 6 and above) and 3 non critical risks (those scored AMBER 4 and below).
- 1.4 The PCC's Chief Finance Officer and Research and Performance Officer 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.
- 1.5 The Force Risk Management Board takes place on a quarterly basis and is attended by business area 'single points of contact' from the Force and G4S as appropriate, including the Force Chief Finance Officer. The

Confidential Risk Management Board is chaired by the Deputy Chief Constable and is attended by personnel as required.

- 1.6 The Risk Management Strategy was reviewed in March 2014 and is attached at **Appendix 1** for the Committee to consider and review.
- 1.7 The PCC's risk register is attached at **Appendix 2**. Updates are provided in bold type.

2. PCC's Assurance Map

- 2.1 Internal Audit carried out a review of the PCC and Chief Constable's risk management processes in December 2013. One of the recommendations related to the development of the Commissioner's Assurance Map.
- 2.2 The audit report stated that there was no formal assurance map/process in place to provide the OPCC with appropriate evidence to validate that controls to manage/mitigate a risk were operating effectively. It was agreed that a PCC Assurance Map would be developed in line with the HM Treasury publication 'Assurance Frameworks' (2012) and other good practice.
- 2.3 The HM Treasury publication states: 'It is essential that there is an effective and efficient framework in place to give sufficient, continuous and reliable assurance on organisational stewardship and the management of the major risks to organisational success and delivery of improved, cost effective, public services'. It also stresses the importance of the framework in relation to the Annual Governance statement (in terms of providing evidence to underpin the assessment to the risk and control environment).
- 2.4 The Joint Audit Committee considered the development of an assurance framework at their training session on 5 March 2014. Following on from the training and subsequent discussions, the PCC's draft assurance map was developed (attached at **Appendix 3**). The Committee is invited to provide comments and feedback.
- 2.5 It is understood that the Force will also develop an assurance framework by June 2014 in line with the recommendations of the internal audit.
- 2.6 The PCC's assurance tool (known as the 'assurance framework') continues to be an active management tool that enables the Commissioner and Force to focus on the live key issues that require ongoing monitoring and attention. As a management tool, it enables both organisations to focus on the obstacles to achieving the most important objectives and priorities set out in the Police and Crime Plan and associated delivery plans.

B. FINANCIAL CONSIDERATIONS

There are resource implications related to some of the mitigating controls. These are managed by the Chief Executive and the Chief Finance Officer.

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 risk register.

E. REVIEW ARRANGEMENTS

The Risk Register will be reviewed by the Joint Committee on a quarterly basis. The Risk Management Strategy will be reviewed on an annual basis and provide linkages to the Annual Governance Statement. The Assurance map will be reviewed by the Committee as required.

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.