


DECISION NO: PCCG-2012-016

**OFFICE OF POLICE AND CRIME COMMISSIONER****TITLE: Strategic Risk Management Proposal****DATE: 13<sup>th</sup> December 2012****TIMING: Routine****PURPOSE: Report for the Police and Crime Commissioner relation to the recommended way forward for dealing with Risk Management**

1.	<p><b><u>RECOMMENDATION</u></b></p> <p>That the Police and Crime Commissioner consider the information contained within this briefing, be informed as to the current strategic risk framework and to consider and if appropriate agree the proposals outlined below.</p>
2.	<p><b><u>INTRODUCTION &amp; BACKGROUND</u></b></p> <p>2.1 Gwent Police (GP) and Gwent Police Authority (GPA) have to date held a joint strategic risk management framework and strategy. Risk management is part of the Corporate Governance structure and is an enabler for optimising quality and efficiency of service delivery, achieving vision and strategic objectives and upholding and enhancing reputation. The last full internal audit of the strategic risk management process was undertaken by auditors Deloitte in 2011 and the organisation achieved the highest assurance grading of 'Substantial'.</p> <p>The following outlines the organisation's risk management framework, and brief proposals as to how this will be managed in the future:</p> <p>2.2 <b>Purpose, Aims and Objectives</b> The purpose, aim and objectives of the organisation in relation to risk management are to:</p> <ul style="list-style-type: none"> <li>• Prevent or minimise the potential consequences of events which could have been reasonably foreseen</li> <li>• Prevent or reduce events or actions that could damage the reputation and public confidence of the organisation</li> <li>• Improve decision making, planning and the allocation of resources</li> <li>• Anticipate and respond to changing political, economic, sociological, technical, environmental, legal and organisational requirements</li> <li>• Grasp opportunities</li> <li>• Preserve and enhance effective service delivery</li> <li>• Enhance the need to be risk aware and not risk averse.</li> </ul> <p>2.3 <b>Approach</b> There is a two-tiered approach to managing risk within the organisation. Firstly, the strategic level, which involves management of high level, corporate risks that will impact upon the force as a whole and upon the achievement of Force objectives. Secondly, the organisational level, whereby risks are managed on a local and departmental level. Currently the Business Tasking and Co-ordination Group (BTCG) monitor strategic risk. Both current and new risks are submitted and reviewed at BTCG and meetings take place on a bi-monthly basis. These meetings are chaired by the Deputy Chief Constable, and attended by Heads of Service Areas, representatives from the Police Authority, and the staff associations. The risk</p>

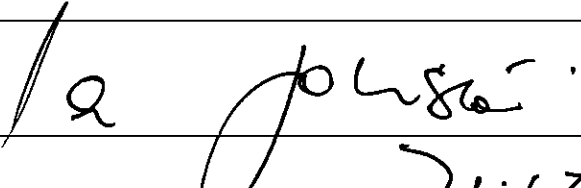
<p>2.4</p> <p>2.5</p> <p>2.5</p>	<p>management process via BTCG identifies new and emerging risks, assesses a risk for its potential impact and probability, puts into place mechanisms to absorb and control any consequences arising from a risk, monitors mitigation of registered risks, acts as the driver for implementing strategic changes in risk management; and integrates the management of risk with the business of the organisation.</p> <p>In addition risk registers are held for specific projects relating to Force matters dealt with by the Force.</p> <p><b>Process</b></p> <p>Strategic risks are managed following four stages which are to Identify, Assess, Address, and Monitor risk. Risks are identified through organisational meetings within the Corporate Governance framework, internal and external audit and inspection activity. All staff are encouraged to assess and report risk and any risks arising from partnership and collaborative projects are brought to the BTCG by Chief Officers and senior members of staff represented at the meeting.</p> <p>Strategic risks are assessed in terms of their likelihood and impact. Using a scoring matrix of 1 – 4 (1 = low, 4 = critical), the level of risk is achieved by multiplying the Probability score by the Impact score. A control measure is identified for every risk and a review period is set. Updates are provided from Strategic and Operational risk owners to BTCG to enable the Group to make informed decisions as to management and mitigation. Risks are then managed down from Critical to Low until they can be removed from the risk register or escalated where necessary.</p> <p>Risks accepted for registration at BTCG are held and monitored via the Joint Strategic Risk Register. These risks reflect national threats, risks to the organisation, and local priorities.</p> <p>The risks associated with the change in governance have been carefully monitored and managed by the Joint Police Authority and Force Transition Board. A transition risk register has been held on the force management database.</p> <p><b>The Role of the PCC</b></p> <p>In line with the PCCs governance and oversight responsibilities the PCC will scrutinise the Strategic Risk Register. A separate risk register will also be held by the Office of the Police and Crime Commissioner.</p> <p>Joint Audit Committee The Joint Audit Committee considered this paper on 20<sup>th</sup> November and endorsed the proposed approach and commended its adoption to the Commissioner.</p>
<p>3.</p>	<p><b><u>ISSUES FOR CONSIDERATION</u></b></p> <p>The PCC is asked to agree that the pre existing joint approach to strategic risk management be maintained for the time being.</p> <p>The PCC is asked to agree that a separate OPCC register be developed for use as appropriate.</p> <p>The PCC is asked to agree that the Chief Executive will represent the OPCC on the Business Tasking and Co-ordination Group (currently managing the Joint Risk Register) to deal with the management of risk. That the PCC notes that outstanding risks from the PCC transition process are transferred to be managed by the OPCC. These risks will be monitored via the OPCC board. The register will be maintained by the research officer in the force performance section.</p> <p>That a review of the current arrangements take place as appropriate via the corporate</p>

	governance group.
<b>4.</b>	<b><u>NEXT STEPS</u></b> A risk register has been set up in readiness for the OPCC on the force management database which also holds the Strategic Risk Register. The OPCC register is currently blank and will be populated by risks identified by the PCC.
<b>5.</b>	<b><u>FINANCIAL CONSIDERATIONS</u></b> Financial implications of risks are dealt with through the allocation of funds through the BTCC.
<b>6.</b>	<b><u>PERSONNEL CONSIDERATIONS</u></b> There are no specific staffing implications resulting directly from the matters raised in this briefing.
<b>7.</b>	<b><u>LEGAL IMPLICATIONS</u></b> There are no specific legal implications resulting from the proposals set out in this briefing.
<b>8.</b>	<b><u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u></b> This briefing has been considered against the general duty to promote equality, as stipulated under the Single Equality Scheme and has been assessed not to discriminate against any particular group. Consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998 in preparing this report.
<b>9.</b>	<b><u>RISK</u></b> No additional risks have been identified from the matters arising from this briefing.
<b>10.</b>	<b><u>PUBLIC INTEREST</u></b> The document will be made public.
<b>11.</b>	<b><u>CONTACT OFFICER</u></b> Shelley Bosson, Chief Executive
<b>12.</b>	<b><u>ANNEXES</u></b>  Annex 1: Blank Strategic Risk Management Form   Blank SRAF.doc

For OPCC use only

Consultation:	Tick to confirm (if applicable)
<b>Financial</b> The Treasurer has been consulted on this proposal.	√
<b>OPCC (insert name)</b> The Chief Executive has reviewed the request and is satisfied that it is correct and consistent with the PCC's plans and priorities.	√
<b>Legal</b> The legal team have been consulted on this proposal.	N/A
<b>Equalities</b> The Equalities Officer has been consulted on this proposal.	√

<p><b>Chief Executive/ Deputy Chief Executive:</b></p> <p>I have been consulted about the proposal and can confirm that financial, legal, equalities etc... advice has been taken into account in the preparation of this report.</p> <p>I am satisfied that this is an appropriate report to be submitted to the Police and Crime Commissioner for Gwent.</p>
<p><b>Signature:</b></p> <p style="text-align: center;">S A Bressan</p>
<p><b>Date:</b> 05/12/12</p>

<p><b>Police and Crime Commissioner for Gwent</b></p> <p>I confirm that I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct.</p> <p>The above request contained in paragraph 3 has my approval.</p>
<p><b>Signature:</b></p> <p style="text-align: center;"></p>
<p><b>Date:</b> 21.12.12</p>