

**ORIGINATOR: CHIEF EXECUTIVE**

**PAPER NO: AC16/16**

**SUBMITTED TO: AUDIT COMMITTEE 24 JUNE 2016**

**SUBJECT: RISK MANAGEMENT**

**SUMMARY:**

1. This report sets out the Chief Executive's assessment upon compliance with the Police and Crime Commissioner's Risk Management Strategy for the year 2015/16.

**RECOMMENDATION:**

The Committee is asked to consider the report.

## **DETAIL OF THE SUBMISSION**

### **1. KEY ISSUES FOR CONSIDERATION**

- 1.1 The Police and Crime Commissioner (PCC) has adopted a Risk Management Strategy dated 1 March 2013. Within the Strategy the Chief Executive is required to report to the PCC annually on risk management activity, as well as delivery of an annual assessment to the Audit Committee on compliance with the Strategy. This report responds to these two requirements. It is further provided within the Strategy that the review of compliance within the Strategy may be undertaken by arrangement with the internal auditors.
  
- 1.2 The PCC's Risk Management Strategy is attached at Appendix A.

## 2. INTERNAL AUDIT

2.1 During the year 2015/16 there has been no internal audit of compliance with the PCC's Risk Management Strategy. The last internal audit of compliance with the PCC's Strategy took place during 2014/15. The outcome of that internal audit was reported to the Audit Committee in June 2015. At that time the internal auditors reported (see AC14/6):

“The office for the Police and Crime Commissioner for Suffolk has its own Risk Management Strategy which was fully audited in 2014 and found to be compliant. Therefore this audit has only followed up the previous recommendation and confirm that that the PCC evidences his involvement in the reviewing of the PCC Risk Register by signing each register.”

The internal auditors gave an opinion on compliance with the Risk Management Strategy based on limited testing as “effective”.

2.2 By contrast the internal auditors have carried out two risk audits during 2015/16, firstly relating to “Embedding (the risk culture)” and secondly “Risk Assurance, Issues, Dependencies (RAID) log”, both of which related to Norfolk and Suffolk Constabulary. The outcomes of these audits were reported to the Audit Committee in March 2016.

2.3 The Three Year Strategic Internal Audit Plan 2016/17 to 2018/19 and Internal Audit Annual Plan 2016/17 were considered at the Audit Committee in March 2016 (see Paper No AC16/3). Within the Annual Plan a review of how the OPCCs (Norfolk & Suffolk) have developed a risk management. Strategy and policy will be progressed in quarter one of 2016/17.

2.4 Notwithstanding these various activities this paper offers a view upon compliance with the Risk Management Strategy during 2015/16 as per the requirement on the Chief Executive under the Risk Management Strategy.

### **3. ASSESSMENT OF COMPLIANCE**

- 3.1 The Chief Executive is responsible under the Risk Management Strategy for assessing the corporate PCC approach to risk management. Amongst his responsibilities he maintains the Risk Register. During the 2015/16 the Risk Register has been regularly reviewed with changes made to the risks, assessments, action plans and review dates. All versions of the Risk Register during 2015/16 are available for viewing on the PCC website, making it accessible to all those who need to have reference to it. Each Risk Register is personally signed off by the PCC himself.
- 3.2 Staff within the PCC's office have been advised of the Risk Management arrangements and indeed have recently been reminded of the contents of the Strategy in order to refresh their awareness.
- 3.3 The Office of the PCC's templates for decisions and reports contain paragraphs on risk that are required to be completed. There is general compliance with this requirement, with the completion of the templates as evidenced by Decision Papers and Reports which appear on the PCC website.
- 3.4 An awareness of risk in relation to partnership activity is maintained and any concerns are raised for consideration through the OPCC's weekly Senior Management Team meetings.
- 3.5 The Strategy requires that, amongst others, contractors are made aware of their responsibility for risk management and the mechanism for forwarding concerns into the PCC's formal management processes. This is provided for in the standard contract documentation with contractors.
- 3.6 Where appropriate, steps are also taken through their training for advising volunteers such as custody visitors, about risk and how to deal with the risks they observe.
- 3.7 Accordingly, it is the view of the Chief Executive that a proportionate and appropriate approach is taken to compliance with the Risk Management Strategy. This view is consistent with historical experience of the internal auditors.

**4. FINANCIAL IMPLICATIONS**

4.1 There are no financial implications.

**5. OTHER IMPLICATIONS AND RISKS**

5.1 There are no other/risk implications.

<b>ORIGINATOR CHECKLIST (MUST BE COMPLETED)</b>	<b>PLEASE STATE 'YES' OR 'NO'</b>
Has legal advice been sought on this submission?	Yes – the author is a Solicitor and the Monitoring Officer.
Has the PCC's Chief Finance Officer been consulted?	Yes
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	Not applicable
Have human resource implications been considered?	Not applicable
Is the recommendation consistent with the objectives in the Police and Crime Plan?	Not applicable
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	Not applicable
Has communications advice been sought on areas of likely media interest and how they might be managed?	Not applicable
Have all relevant ethical factors been taken into consideration in developing this submission?	Yes