

JOINT INDEPENDENT AUDIT COMMITTEE
July 2023

SUBJECT	Police and Crime Commissioner’s Risk Register
REPORT BY	Gillian Holder
CONTACT OFFICER	Dan Howitt Daniel.Howitt@Notts.Police.uk
SUMMARY AND PURPOSE OF REPORT	
To set out the latest PCC risk register.	
RECOMMENDATION	In its role of reviewing the adequacy of the OPCC’s risk management arrangements, the Committee is asked to review and consider the attached risk register.

A. SUPPORTING INFORMATION

The OPCC strategic risk register highlights the primary risks that have a potential to impact negatively on the delivering the Commissioner’s core statutory duties or meeting the ambitions of the 2022-24 Make Notts Safe Plan.

The risk register highlights two priority risks for the OPCC:

- Financial impact of the remedy and Revaluation of public sector pensions in view of the McCloud case (SR0012). Mitigated risk score of 12 remains stable. The last revaluations saw an increase in the employers contribution rates and there is risk that this will be the case again. Early indication from the latest revaluation is a potential increase of a further 20% on employers rates from 2024. It is hoped that there will be further financial support. Some has been provided for the impact to date
- Short term funding - risk to critical aspects of service delivery, incl. victim support and serious violence. Mitigated risk has increased over the previous quarter. Discussions with partners and central government are ongoing. Work is being progressed to ensure that exit plans are compiled and aligned with Medium Term Financial Plan

One new risk has been captured during the April to June 2023 period:

- Staff shortages leads to capacity issues affecting team wellbeing and their ability to perform at their best (SR0022): Work is underway to recruit to vacant posts and prioritise current workloads. This situation is being managed currently within existing staff capacity. Posts are being recruited to but will have a long lead time due to vetting / notice periods.

Other key changes to the risk register during the April to June 2023 period include:

- Closure / archive risk: Business continuity risks associated with changes in OPCC working arrangements post COVID-19 on information security, effective practice and staff welfare. (SR0002). The organisation has seen full and effective transition to routine agile working arrangements. Absence rates remain low and the office maintains core business as usual via revised working arrangements. Information security reminders have been issued to all staff.
- Reduction in risk score: Impact of transition to a 2 Tier (+1) OOC model on performance, commissioning and OPCC scrutiny. Planning underway for transition to 2 tier model in October 2023 as part of a staged approach. OPCC fully engaged in planning arrangements.

The risk register is subject to ongoing monitoring and review as part of the Commissioner's Senior Leadership Team meetings and governance and accountability framework.

B. FINANCIAL CONSIDERATIONS

There are no direct financial implications arising from this report, any relevant considerations are included in the risk register.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

Any relevant considerations are included in the risk register.

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

(including any impact or issues relating to Children and Young People)

Any relevant considerations are included in the risk register.

E. REVIEW ARRANGEMENTS

The PCC Risk register is on the forward plan to be reviewed at each meeting.

F. RISK MANAGEMENT

Risks are detailed as appropriate within appendices to this report.

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.

NOTTINGHAMSHIRE POLICE AND CRIME COMMISSIONER CORPORATE RISK REGISTER - JUNE 2023

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk / Objective	Description and Owner	Impact	Strategy and Assurances	Unmitigated / Current Risk			Commentary and Review date
				Probability	Impact	Risk Score	
SR 0004 Financial Incapability Delivering efficient and effective local services	Force unable to achieve a balanced budget, required efficiency savings and require contribution from reserves. Owner: Chief Finance Officer Organisation: OPCC	- Govt. mandate / penalties - Reputation / public confidence - Performance / delivery risks - Poor assessment / inspection outcomes	Treat Budget parameters set by PCC Medium Term Financial Planning Monthly budget monitoring meetings Accountability Board Prudent risk-assessed reserves Ongoing OPCC / Force CFO liaison	4	4	16	Ongoing oversight via monthly budget monitoring meetings and weekly PCC/CC briefing meetings. Lack of Group budget visibility in current reporting, to be improved upon in 2023/24. Efficiency plan in place and published for the budget shortfalls in the MTFP. Potential for higher pay awards than budgeted for currently. Review date: Ongoing
				1	3	3 ▲	
SR 0005 Austerity impact on services & Council Tax revenue Delivering efficient and effective local	Austerity and pressures impacting upon service capacity, council tax base and volume and complexity of underlying service demand Owner: Chief Finance Officer Organisation: OPCC	- Direct financial impact - Financial impact for 3 years on deficit and an unknown length of time on tax base recovery - Performance / delivery risks	Transfer Ongoing oversight with the billing authorities. A request for Central Government to pick up the shortfall	4	4	16	This continues to be monitored. Taxbase increase of 1.9% in 22/23 and 1.4% in 2023/24 suggests the picture is much less bleak than originally anticipated. Review date: Ongoing
				1	3	3 ▼	
SR 0006 Financial uncertainty Delivering efficient and effective local services	Delays in the review of the police funding formula. Impact of brexit and COVID-19 cost on future public sector funding. Global economic issues impacting on economy in UK, leading to a recession. Owner: Chief Finance Officer Organisation: OPCC	- Challenging planning - Instability of key services - Impact on service delivery - Reputational / public confidence impact - potential reduced funding envelope	Tolerate Engagement with central government, APCC/NPCC Police Finance workstream HO reps at PACCTS	3	3	9	Settlement will enable effective planning for 2022-23 to 2024-25. Funding Formula review promised within this elected period. Ongoing engagement through PACCTS, central gov, APCC, NPCC. Balanced budget set for 2023/24 incl further precept flexibility, and prudent assumptions for the MTFP along with an efficiency plan. Anticipated consultation on FFR proposals still awaited, and unclear if it will be released prior to Summer '23 recess. Review date: Ongoing
				2	3	6 ◀▶	
SR 0008 Information Management: Data Quality Tackling crime and ASB	Poor data quality compliance impacts upon understanding of crime patterns, the identification and referral to vulnerable people and public confidence in crime recording. Owner: Head of Performance & Assurance Organisation: OPCC	- Reputation / public confidence - Delivery failure - Ineffective planning and problem solving - Government penalties	Transfer Accountability Board / Internal Audit FCIR Review meetings HMICFRS Inspection Annual Assurance Statement	3	3	9	HMICFRS PEEL inspection identified significant areas for improvement, particularly in the accuracy of incident to crime conversion for violent crimes. Remedial action has been undertaken by the force which has led to a significant improvement in incident to crime conversion rates for the crime categories affected. Reporting to Police and Crime Panel in March 23. Review date: Ongoing
				2	3	6 ◀▶	
SR 0010 Limited analytical capacity and capability Tackling Crime and ASB	Lack of force and partner agency analytical capacity impacting on provision of analytical products and assurance reports Owner: Head of Performance & Assurance Organisation: OPCC	- Force and partners inability to direct resources according to need; identify emerging risks; assess impact of interventions; provide accountability - Reputation / public confidence risk	Treat Forward planning on the development of key OPCC including VRU analytical products. Direct OPCC access to intranet-based tools and functionality. Development of independent assurance mechanisms such as the Police and Crime Survey. Partnership analytical roles readvertised.	4	3	12	Recruitment of two additional OPCC Partnership Analysts underway. Exploring options to enhance 'self-service' functionality. Reduced capacity and frequency of strategic intelligence products, control strategy, MoRiLE assessment and Home Office commissions. Review date: Ongoing
				3	3	9 ◀▶	
SR 0012 Pensions - McCloud, Remedy & Revaluation Delivering efficient and effective local services	All Public sector pensions are within a Remedy Period for the resolution of McCloud case. Remedy Period ends 2022. Compensation payments not covered by pension schemes. Owner: Chief Finance Officer Organisation: Force & OPCC	- Direct financial impact - Administrative impact significant. Contractual delays - Performance / delivery risks	Transfer Representation on National Police Pension Board. Additional Home Office grant above that provided by Treasury. An amount has been set aside within reserves to cover compensation element.	4	4	16	The last revaluations saw an increase in the employers contribution rates and there is risk that this will be the case again. Early indication from the latest revaluation is a potential increase of a further 20% on employers rates from 2024. It is hoped that there will be further financial support. Some has been provided for the impact to date. Review date: Ongoing
				4	3	12 ◀▶	

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Risk / Objective	Description and Owner	Impact	Strategy and Assurances	Unmitigated / Current Risk			Commentary and Review date
				Probability	Impact	Risk Score	
SR0013 Instability of COT leadership Delivering efficient and effective local services	Significant combined changes in force Chief Officer Team impacting upon stability of police leadership and direction Owner: Chief Executive Officer Organisation: OPCC	<ul style="list-style-type: none"> - Reputation / public confidence risk - Ineffective planning and decision making - Performance / delivery risks 	<p>Treat</p> <p>Ongoing engagement with Chief Officer Team, clarity of focus and expectations in the delivery of the Police and Crime Plan.</p>	3	4	12	<p>OPCC has worked closely with COT colleagues to ensure a stable transition of leadership.</p> <p>Review date: Ongoing</p>
				1	3	3	
						◀▶	
SR 0014 Limited inhouse accounting expertise Transforming Services and Delivering Quality Policing	Austerity and restructuring within the force finance team has led to a reliance on staff with limited professional experience with local government accountancy. Owner: Chief Finance Officer Organisation: OPCC	<ul style="list-style-type: none"> - Insufficient resource leading to the accounts being qualified - Temporary appointments leading to lack of consistency - Reputation / public confidence risk 	<p>Treat</p> <p>Active participation in the CIPFA AFEP programme has provided a way forward. This has improved the Force Finance Team structure and its standing within the Force. Training for Finance apprentices is in place.</p>	3	4	12	<p>Appointment of experienced CIPFA qualified accountant has proved invaluable, although they have now been offered a promotion elsewhere. More posts are now filled albeit with some relatively inexperienced people who need to time to develop. Head of Commercial now in post, updated contract standing orders drafted. Production of 2022/23 accounts was to be the test of the new arrangements post MFSS. 2022/23 not produced in time with statutory deadline, focus is on outstanding 2020/21 audit queries and 2021/22.</p> <p>Review date: Ongoing</p>
				3	3	9	
						▲	
SR 0015 Transtion to 2 tier Out of Court Disposals Model Responding to needs of communities and victims of crime	Impact of transition to a 2 Tier (+1) OOC model on performance, commissioning and OPCC scrutiny Owner: Head of Strategy & Performance Organisation: OPCC	<ul style="list-style-type: none"> - Significant drop in positive outcome rates - Pressure on commissioning team and gaps in provision - Reputation / public confidence - Government penalties 	<p>Treat</p> <p>OPCC engagement with the OOC Board and ongoing commissioning meetings with police and lead providers.</p>	3	3	9	<p>Planning underway for transition to 2 tier model in October 2023 as part of a staged approach. OPCC fully engaged in planning arrangements.</p> <p>Review date: Ongoing</p>
				3	2	6	
						▼	
SR 0016 Partnership information sharing Tackling crime and ASB	Ongoing challenges in establishing longer term information sharing protocols via the VRU and Local Criminal Justice Partnership Board. Owner: Head of Strategy & Performance Organisation: OPCC	<ul style="list-style-type: none"> - Ineffective planning and decision making - Poor governance and oversight - Reputational / public confidence impact 	<p>Treat</p> <p>Ongoing project management via VRU and LCJPB</p>	3	3	9	<p>Recent events have exposed further risks in partnership informaiton sharing, particularly in relation to Health. Proactive engagement with key partners. Generic protocol templates in development via APCC/APACE following national PCC Review</p> <p>Review date: Ongoing</p>
				3	3	9	
						▲	
SR 0017 GDPR Compliance and data sharing Transforming Services and Delivering Quality Policing	Identified areas for improvement re. controls in place to ensure GDPR compliance and current information sharing pathways Owner: Chief Executive Officer Organisation: OPCC	<ul style="list-style-type: none"> - Reputation / public confidence risk - Financial penalties - Impact on service delivery - Ineffective planning 	<p>Treat</p> <p>Provision of Data Protection Officer and Information Governance advice and support; including DPO Officer and information governance service and information governance audit.</p>	3	4	12	<p>OPCC capacity constraints have prevented further work being undertaken in this area. Significant area for improvement identified. A provider has been commissioned (Essex County Council) to temporarily support the OPCC's Data Protection and Information Governance activity. Asset owners are working to complete their RoPA's.</p> <p>Review date: Ongoing</p>
				2	4	8	
						▲	

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				Probability	Impact	Risk Score	
SR 0018 Recommissioning of victim services in 2023 Delivering efficient and effective local services	Service disruption as a result of recommissioning a range of key services incl. Victim CARE, Restorative Justice, substance misuse and sexual violence support services Owner: Head Commissioning & P'ships Organisation: OPCC	- Impact on quality and scale of service provision - Further harm to victims and vulnerable service users - Reputation / public confidence risk - Ineffective planning	Treat Bidders to provide granular mobilisation plan via bids. 3 month mobilisation period for newly commissioned services. OPCC to meet fortnightly with providers during mobilisation to manage service delivery risks relating to any change in provider.	3	4	12	Contracts have been awarded and mobilisation is being closely managed. Risks continue to be assessed fortnightly Review date: Ongoing during 2023
				1	4	4 ▼	
SR 0019 Business Continuity Delivering efficient and effective local services	OPCC Delivery Owner: Head Commissioning & P'ships Organisation: OPCC	- Impact on quality and scale of service provision - Further harm to victims and vulnerable service users - Reputation / public confidence risk - Ineffective planning	Treat Bidders to provide granular mobilisation plan via bids. 3 month mobilisation period for newly commissioned services. OPCC to meet fortnightly with providers during mobilisation to manage service delivery risks relating to any change in provider.	3	4	12	Contracts have been awarded and mobilisation is being closely managed. Risks continue to be assessed fortnightly Review date: Ongoing during 2023
				1	4	4 ▼	
SR 0020 Statutory duty compliance Delivering efficient and effective local services	Serious Violence Duty Owner: Head of the VRP Organisation: OPCC	- Impact on quality and scale of service provision - Further harm to victims and vulnerable service users - Reputation / public confidence risk - Ineffective planning	Treat/Transfer As the convening authority the OPCC is holding monthly SVD Implementation meetings with Specified and Responsible Authorities. A readiness assessment is in place with all specified and responsible authorities. A detailed delivery plan for	3	4	12	Ongoing meeting and consultation and engagement with specified authorities. Review date: Ongoing until compliance date of end of January 2024
				3	2	6 ▼	
SR 0021 Financial Uncertainty Delivering efficient and effective local services	Short term funding - risk to critical aspects of service delivery, incl. victim support and serious violence Owner: Head Commissioning & P'ships & Head of the VRP Organisation: OPCC	- Impact on quality and scale of service provision - Further harm to victims and vulnerable service users - Reputation / public confidence risk - Ineffective planning	Treat Work with local and national partners to mitigate risk. Lobby for funding. Exit / scenario planning	3	4	12	Discussions with partners and central government ongoing. Exit plans need to be compiled and aligned with MTFP. Review date: Ongoing
				3	4	12 ▲	
SR 0022 OPCC/VRP Business Continuity Delivering efficient and effective local services	Staff shortages leads to capacity issues affecting team wellbeing and their ability to perform at their best. Owner: SLT Organisation: OPCC	- Impact on quality and scale of service provision - Reputation / public confidence risk - Reactive rather than proactive	Treat Recruit to vacant posts, prioritise work. Utilise temporary staff cover to alleviate the pressure	3	3	9	Situation is being managed currently, posts advertised but will have a long lead time due to vetting /notice periods. Review date: Ongoing
				3	3	9 ▲	