

**Report of the Chief Executive to the Chair and Members of the
Audit & Internal Control Panel
20th October 2011**

**Executive Officer: Jeremy Holderness, Acting Chief Executive
Presenting Officer: Dr Neville Cameron, Service Improvement Manager**

Status: For Approval

CPA Risk Register

1 Purpose

- 1.1 To provide Members with the opportunity to review the updates of the CPA Risk Register and Risk Action Plan (from 4 March 2010 to 16 September 2011) which were agreed at the Leadership Panel on 6 October 2010.

2 Recommendations

- 2.1 To note the routine maintenance, chronological updates and modifications to the Risk Register (Appendix 1) and Action Plan (Appendix 2).

3 Reasons

- 3.1. All updates and amendments to business critical corporate documents, such as the CPA Risk Register, are the responsibility of the Leadership Panel to scrutinise, agree and sanction.
- 3.2. At the Leadership Panel on 6 October 2011, the latest version of the CPA Risk Register and Risk Action Plan was approved by Members.

- 3.3. The Force and Authority regularly meet to discuss internal risk and business continuity arrangements and developments as part of the Joint Risk Management Group. Meetings of the group took place on 17 May 2011 and 20 September 2011.
- 3.4. Updated Terms of Reference of the Joint Risk Management Group were also agreed at the Leadership Panel on 6 October 2011.

3.5. Changes to the CPA Risk Register

- 3.6. A summary of the updates to the CPA Risk Register (to 16 September 2011) are as follows:

PA1 (Consultation)

- 3.7. A mitigating action has been added incorporating the CPA Annual Summer Roadshows which assist with thematic policing consultation.

PA2 (Effectiveness and Value for Money)

- 3.8. A cause & effect item has been added regarding the possible costs of the investigation to the Police Authority. The ratings remain unchanged and at the highest possible scoring of 25 (5 impact and 5 likelihood) for both inherent and residual risk.

PA3 (Diversity & Equality)

- 3.9. A cause & effect item has been added to reflect the adoption of specific duties relating to police forces in the Equality Act Regulations 2011. A residual action has been added regarding updates to the CPA and Force Single Equality Schemes that will be presented at Policy & Resources Panel in December 2011.

PA4 (Partnerships)

- 3.10. This risk has residual actions added surrounding the effects of the funding on Partnerships with the introduction of Police & Crime Commissioners.

PA5 (Governance)

- 3.11. Both inherent and residual ratings have increased to 20 (Impact 4 and likelihood 5) with residual actions being added relating to the appointment of Chief Officers in both Force and Authority.

PA6 (Employment Law)

- 3.12. The mitigating controls have been updated to reflect the HR and Legal Advisors used by the Authority and a residual action has been added regarding assessing staff conditions in light of the proposed dissolution of Police Authorities and the introduction of the Police & Crime Commissioners.

PA8 (Fraud)

- 3.13. The inherent and residual ratings have increased from 9 and 6 to 16 and 12 respectively and a residual action has been added relating to ensuring compliance with recommendations from auditors' reports.

PA11 (Investigation)

- 3.14. This risk has been created to ensure risks relating to the investigation of Cleveland Police Authority are properly recorded, impact assessed and controlled. The inherent and residual ratings have been set at 25 and 20 respectively (with the impact for the residual rating being set at 4 instead of 5). Areas of the risk have been split into the categories of *Operational, Organisational, Financial, Reputational* and *Legal and Liabilities* with associated actions relating to the investigation as a whole.
- 3.15. The reported updates to risks, inherent and residual ratings and associated mitigating actions (up to and including 16 September 2011), outlined in sections 3.7 to 3.14, are shown in red font in Appendix 1.

3.16. Changes to the CPA Risk Action Plan

- 3.17. The Risk Action Plan was also agreed at the Leadership Panel on 6 October 2011. Changes and routine periodic maintenance was reported for the period up to and including 16 September 2011 and are highlighted in red font in Appendix 2.
- 3.18. Completed actions will be removed for the next update of the CPA Risk Register.

4. Implications

Sustainability – Future Management of Risks

- 4.1 The Joint Risk Management Group assists in the management of risk and business continuity across both Authority and Force. It promotes the embedding of risk management within integrated business and financial planning processes. Any modifications and updates to the Risk Register or Risk

Action Plan are agreed at the Leadership Panel, and reported further at alternate Audit & Internal Control Panels.

Financial Implications

- 4.2 Any effect on finance or other funding pressures are contained within the Risk Register and Action Plan with associated mitigations highlighted.

Diversity and Equal Opportunities

- 4.3 Equality and Diversity issues are outlined in the Risk Register and Action Plan.

Risk Management

- 4.4 The ability to identify and manage risk enhances the Authority's capability to promote openness and accountability whilst further promoting corporate governance and performance improvement.

Human Rights

- 4.5 There are no direct human rights implications in this report.

5 Conclusions

- 5.1 This report provides the Audit & Internal Control Panel with the most recent update of the CPA Risk Register and Action Plan (for the period 4 March 2011 to 16 September 2011) which reflects the current conditions of the organisation and the prevalent economic climate.
- 5.2 This process of scrutiny and agreement of risk within the Police Authority enhances its ongoing management and adoption and remains a proactive process of embedding risk management in all aspects of the business.

Jeremy Holderness
Acting Chief Executive

Appendices

- Appendix 1: CPA Risk Register (updated to 16 September 2011)
Appendix 2: CPA Risk Action Plan (updated to 16 September 2011)